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UNITED STATES POLICY IN INDONESIA

The dispute between the Netherlands and the Republic of Indonesia grew primarily out of the desire of the Indonesian nationalists to achieve political independence and of the Dutch to protect their political and economic investments during 300 years of economic development of the archipelago. United States policy in Indonesia is based on sympathy with these interests of the two parties and seeks the harmonious attainment of both objectives.

On June 25, 1948, the Deputy Director of the Department of State's Office of Far Eastern Affairs told the American people in a radio address:

First and foremost your government is determined to do everything it can to bring peace, prosperity, and the freedoms of a democratic system to the peoples of Indonesia as to peoples everywhere in the world. Secondly, your government, in this particular instance, seeks to assist the Indonesian and Dutch people to rediscover their dependence on each other and learn anew the great contribution that each can make to the welfare and security of the other. Thirdly, your government realizes as do the peoples of the Netherlands and Indonesia, that the rest of the world desperately needs what the two of them, working together, can provide. Finally, your government is determined that the efforts of totalitarianism to defeat these purposes shall not succeed.

After 3 years of intermittent warfare and unsuccessful negotiations between the Netherlands and the Republic of Indonesia, an event has occurred which offers the possibility of a happy solution. On August 23, a round-table conference began at The Hague between representatives of the Indonesian peoples, the Dutch, and the United Nations Commission for Indonesia. The goal is the granting of sovereignty to an independent, democratic United States of Indonesia and the linking of the new sovereign state into a Netherlands-Indonesian Union.

The achievement of these goals will satisfy the legitimate desire of the Indonesians for political independence and satisfy the legitimate desire of

the Dutch to protect their economic and political interests. It is, indeed, essential to the economic well-being of both Indonesia and the Netherlands that Dutch participation be continued. The Netherlands derives between 200 million dollars and 300 million dollars annually from its East Indies investments and could not lose this income without crucial injury to its national economy. The Indonesians, in turn, must continue to profit from the experience and technical skills of the Dutch to assure their own continued economic development.

All the free nations of the world have a stake in the voluntary, cooperative, peaceful settlement of the Netherlands-Indonesian problem: Many of them require the oil, tin, rubber, and other products which Indonesia can provide in abundance and on which the success of the European Recovery Program is considerably dependent; European stability will be best served by the maintenance of Netherlands economic strength; and international tranquillity and resistance to the spread of Communism in Southeast Asia will be served by the attainment of a democratic, stable Indonesian government.

History of the Dispute

The mid-1930's saw a developing movement for Indonesian independence. This movement did not arise from dissatisfaction with the nature of Dutch rule but with the fact of Dutch rule. The Dutch administration of Indonesia was vigorous and efficient, and their achievements in developing the rich economic resources of the archipelago were great.

Indonesian nationalism increased in intensity during the war when Japanese aggression ended Dutch control. In 1942, Java, Sumatra, and Madura—containing about 55 million of the total 72 million population—began to practice self-

government on lower levels. In August 1945, 2 days after the collapse of Japan and a month before Allied occupation forces arrived to receive the surrender of occupying Japanese forces, the Republic of Indonesia proclaimed its independence and its jurisdiction over the entire archipelago.

This declaration precipitated hostilities and negotiations between the Netherlands and the Republic of Indonesia. In November 1946, the two disputants over Indonesian independence initialed the Linggadjati agreement and formally signed it in March 1947. This agreement recognized the *de facto* authority of the Republic in Java, Sumatra, and Madura; provided for establishment by January 1, 1949, of a sovereign, democratic, federal United States of Indonesia (USI) composed of the Republic and at least two other states to be formed in Borneo and the eastern islands, and for the linking of the USI to the Netherlands in a Netherlands-Indonesian Union. The United States welcomed the agreement and recognized the Republic's *de facto* authority.

Efforts to implement the agreement, however, renewed the conflict. The Republic agreed to Netherlands proposals for an interim government for all Indonesia but balked at letting Dutch forces share in the policing of Republican territory. On July 21, the Netherlands began a "police action" against Republican troops which brought under its control economically important areas of Java, Madura, and Sumatra and reduced the Republic to three noncontiguous areas: central Java, westernmost Java, and parts of Sumatra.

Australia and India brought the conflict to the attention of the Security Council of the United Nations, and on August 1, the Council called upon both parties to cease-fire and to settle their dispute by peaceful means. On August 25, the Council offered its good offices which both parties accepted, though the Netherlands maintained that the dispute was a domestic matter and denied the Council's competence to deal with it.

Though fighting continued, a conference between the Good Offices Committee (Belgium, Australia, and United States) and the disputants aboard the U.S.S. *Renville* produced the Renville agreement which both parties accepted on January 17, 1948.

This new agreement provided for a truce, establishment of United States of Indonesia with the Republic a component, and transfer of Neth-

erlands sovereignty to the USI after a "stated interval." Netherlands sovereignty would be recognized meanwhile, and a central interim government formed with the Republic and all other states granted fair representation. Plebiscites would determine final delineation of the states and elect a constitutional convention to frame a USI constitution. When formed, the USI would be joined in a Netherlands-Indonesian Union under the Kingdom of the Netherlands. The disputants agreed to assistance of the Good Offices Committee in arriving at a political agreement and also agreed to serve advance notice of intent to terminate the truce.

It soon became evident that the Netherlands and the Republic put differing interpretations upon the terms of the Renville agreement. Both parties accused the other of violations. The Republic protested Dutch creation of new states by decree and formation of a provisional federal government in which the Republic had no part, contrary to the Renville agreement. The Republic also charged Dutch efforts to strangle it economically by a trade blockade. In turn, the Netherlands charged the Republic with incitement of guerrilla activity and sabotage in Dutch-held territory, also with refusal to accept Netherlands sovereignty in the interim period.

In June 1948 and again in September, the United States and Australian delegations on the Good Offices Committee put forward a compromise plan as a basis for renewing the deadlocked negotiations. The Republic agreed to both plans, but the Netherlands refused to discuss the first and in agreeing to the second, insisted upon changes which rejected the substance of the United States-Australian proposal.

In mid-September, taking advantage of the stalemated negotiations, a Moscow-trained Indonesian Communist named Muso led a well-planned, large-scale Communist revolt, captured the city of Madiun, and proclaimed a "Soviet government." The Government of the Indonesian Republic promptly invoked martial law and ruthlessly liquidated the rebellion with the vigorous cooperation of loyal government troops and the local population. The Communist leaders were killed or imprisoned, and all known Communists or leftists suspected of complicity in the plot to overthrow the government were arrested. Official Republican statements described the Communist rebellion as "part of the Moscow plan for

Southeast Asia." For the Republican government to eliminate or antagonize the Indonesian Communist Party was automatically and immediately to deprive itself of the support of one of the most effective anticolonial forces in the archipelago. Nonetheless, the Republic's leaders liquidated the Communist rebellion without outside aid, thereby earning the implacable hatred not only of the Indonesian Communist Party but also of world Communism as well.

The United States made further efforts to revive negotiations for a compromise agreement on political principles between the Netherlands and the anti-Communist nationalist movement, represented primarily by the Indonesian Republic. The Netherlands instituted direct talks with the Republic, but these failed to produce a solution. The Netherlands launched military action on December 18, and the following day the Republican capital Jogjakarta, was bombed and attacked by Dutch paratroops. President Sukarno, Prime Minister Hatta, the Minister of Foreign Affairs, and other high-ranking officials of the Republic were captured and later interned in two separate groups, one on Bangka Island, the other on Sumatra. Dutch land forces quickly penetrated Republican territory, capturing the major cities. Coinciding with this abrupt termination of the truce, the Netherlands promulgated a decree of an interim government of Indonesia which had been previously framed by the Netherlands and leaders of the Federal (Dutch-occupied) areas of Indonesia.

Within a few days, the ECA Administrator announced suspension of issuance of authorizations for the procurement of supplies destined for use in Indonesia, which since mid-1948 had been made available to the Netherlands to aid in the economic recovery of Dutch-held areas of Indonesia. The Administrator stated that conditions necessary for continuation of an effective economic program no longer existed in Indonesia.

Progress Toward Settlement

The Security Council, concerned over the increased gravity of the situation, converted its Good Offices Committee into the United Nations Commission for Indonesia (UNCRI) and passed a resolution on January 28, 1949, calling upon both parties to cease-fire, to release all political prisoners, and to restore the Republican Govern-

ment at Jogjakarta, to be followed by staged withdrawals of Netherlands forces from areas occupied by them after December 18.

At this juncture, the Netherlands announced to the UNCRI its decision to speed up the transfer of sovereignty to a federal Indonesian government. The Netherlands Government invited Republican leaders, Federalist leaders, Indonesian minority groups, and the members of the Commission to meet in a round-table conference at The Hague on March 12 to work out an agreement on the transfer of sovereignty and on a union statute. However, the Netherlands Government said it could not concur in restoration of the Republican Government. The Republican leaders, therefore, declared their inability to cooperate.

Largely through the energetic efforts of the United States delegate, the United Nations Commission for Indonesia obtained on May 7 agreement of both parties to the following four points: the restoration of the Republican Government to the residency of Jogjakarta, the issuance of a cease-fire order, the release of Republican prisoners by the Dutch, and the holding of a conference at The Hague leading to a definitive political settlement. Indonesian Federalist leaders, representing states of the Dutch-occupied areas, agreed to the Hague conference when they were assured of the restoration of the Republican Government and participation of the Republican leaders at The Hague.

Prospects for success of the conference—rescheduled for August—were heightened by a reported agreement between representatives of the Republic and of the Federalist movement at Jogjakarta and at Batavia. According to reports, the Indonesians agree on: (1) the institution of a federal system of government in Indonesia—to be called the Republic of the United States of Indonesia—of which the present Republican and Federalist states will be constituent parts; (2) the institution during the Hague conference of a provisional Federal government which will undertake administration of the entire archipelago until a popularly elected government can take over; and (3) the holding of free elections by secret ballot under the auspices of the provisional government to delineate the states comprising the Federal Union and to select representatives of those states to a bicameral legislature. Agreement on a cabinet form of government was indicated.

The Outlook

United States believes that it is not unreasonable to expect a successful outcome of the round-table conference. Should success be realized, it will be our aim to assist the Indonesians to achieve coherent and effective government and, if requested, to supply technical aid as permitted by budgetary considerations.

It will be clearly advisable for the Indonesians to make the fullest use of Dutch technical and administrative ability and skill. The Netherlands

has thousands of highly trained, experienced personnel to offer a new sovereign government of Indonesia. The employment of Netherlands by the United States of Indonesia would benefit not only the Indonesian people but would also help to preserve Dutch beneficial interests in the archipelago.

With Netherlands and Indonesians rediscovering the great benefits which each may offer the other, an association of the Kingdom of the Netherlands and a United States of Indonesia should become stronger as time goes on.

THE CARIBBEAN SITUATION

U.S. Memorandum to the Inter-American Peace Committee

On August 3, 1949, the Inter-American Peace Committee met to consider the situation in the Caribbean area which has resulted in conflicts and international tension over a considerable period of time. The Committee decided at this meeting that it would address a letter to all of the American governments, through their representatives on the Council of the Organization of American States, requesting information and suggestions pertinent to this situation. On August 18, 1949, the United States representative, Ambassador Paul C. Daniels, presented a memorandum, the text of which is printed below, for the information and use of the Committee in its consideration of the problem. At its meeting on September 2, 1949, the Committee decided, with the approval of the United States representative, to make the text of the United States Government's memorandum available to the public.

The Inter-American Peace Committee is a five-member group which was established in conformity with Resolution XIV of the second meeting of Ministers of Foreign Affairs of the American Republics, Habana, 1940. Its functions, as set forth in that resolution, are to maintain constant vigilance to insure that American states between which a dispute exists or may arise may solve it as quickly as possible and to suggest

measures and steps which may be conducive to a settlement of such disputes. Members of the Committee at present are Ambassador Quintanilla, Mexico, Chairman; Ambassador Corominas, Argentina; Ambassador Accioly, Brazil; Ambassador Guell, Cuba, and Ambassador Daniels, United States.

TEXT OF MEMORANDUM

August 18, 1949

The situation existing in the political areas of the Caribbean, on which the Inter-American Peace Committee has requested information and suggestions from all of the American states, contains a number of elements which warrant close examination by that Committee, in order that it shall fulfill its continuing responsibility, under Resolution XIV of the Second Meeting of Ministers of Foreign Affairs, of keeping constant vigilance to insure that states between which any dispute exists or may arise may solve it as quickly as possible. Furthermore, this study deserves the full cooperation of all of the American governments which are in a position to contribute to the success of the Committee's work.

Although a few striking and well-publicized incidents have attracted general attention, long-continued tensions and evidences of political unrest have threatened to produce, or have actually produced, conflicts which have a deeper significance than would appear from the surface manifestations of isolated instances of plotting or revolutionary activity.

In the period since the cessation of hostilities of World War II, citizens of one or another of the countries in the Caribbean area have engaged in preparations for, and have participated in, movements whose purpose has been to accomplish by intimidation or armed invasion political changes in governments of the area. Despite the exercise of vigilance by the Government of the United States to prevent the violation of applicable United States laws, citizens of the United States have from time to time been involved in activities aimed at other governments. These movements have been inspired and carried on, at least in part, by political exiles whose aim is to return, by force if necessary, to active political life in the countries of their origin. Whatever may be the motivation of these individuals, some of whom declare that the cause of their exile is the absence of democratic practices in their home countries, the methods they have chosen may involve violation by established governments of their international obligations with consequent disruption of friendly relations among the countries in the area.

In some instances, the real, apparent or rumored threat of revolutionary activities has served to create international tensions, and there have even been open accusations from government to government. Three times, within a period of a year, the procedures of inter-American peaceful settlement have been called upon to deal with situations thus created. While the success of these instruments in improving the atmosphere for amicable negotiation, or in actually achieving pacific settlement of the specific situations which gave rise to the use of inter-American machinery, has been conspicuous, other situations have continued or new ones have appeared which indicate that all tensions have not been removed, and that means must still be sought for achieving a renewal of international confidence and a feeling of security among members of the American community.

The unfortunate results of these conditions cannot fail to be a matter of concern to the states in-

involved as well as to all the American nations. It is obvious that recurring suspicion and lack of confidence among governments do not provide a proper climate for those mutually beneficial relationships, including economic relationships, which are of importance to the fullest development of the American states. Some of the governments concerned have found the situation sufficiently disturbing to cause them to acquire considerable amounts of armament, which they feel to be necessary for their self-defense, as well as to institute rigorous measures of internal control. Heavy expenditures for armaments for these purposes hinder economic improvement in the area and contribute to an accentuation of discord. The proper functioning of the Organization of American States and the effort to realize the ideals and principles to which all have subscribed in the charter require that methods be found for getting at, and eliminating if possible, the causes of international friction and discord.

In searching for these methods, the Inter-American Peace Committee has wisely chosen to seek full information on those matters which will contribute to its better appreciation of the problem. In fulfillment of its desire to cooperate with the Committee in every appropriate way, the Government of the United States herewith furnishes certain items of information which relate to the activities of its citizens or which have come to its attention in the course of official investigations of activities alleged to have been carried on by its citizens or within its jurisdiction. If further pertinent information which the United States is able to make available is developed, this will be furnished to the Committee.

Browder-Eisenhardt Case

Early in 1947 the theft of certain United States Government-owned arms was discovered. United States citizens Edward Browder and Karl J. Eisenhardt subsequently pleaded guilty to the theft. Browder received 18 months in prison and Eisenhardt was fined 10 thousand dollars. During the investigation and court proceedings in this case it was brought out that the arms in question were destined for revolutionary purposes in the Caribbean area, particularly against the then Government of Venezuela; and that the movement was financed in considerable part by foreign sources. It was also publicly asserted during these proceedings that a Dominican consular officer in

the United States was involved in the movement. The officer concerned was subsequently recalled by his government.

Cayo Confites Plot

In connection with the revolutionary expedition organized in Cayo Confites in Cuba in July-August-September 1947 against the Dominican Republic, the United States Government took the following action:

1. Revocation in August 1947 of the export license granted for the export of the *LCI Patria* to one Cruz Alonzo in Cuba, when it became known that the ship was destined for the use of the revolutionaries.

2. Recommendation by the United States Embassy in Habana in September 1947 to American pilots recruited to participate in the revolution that they abandon this undertaking and return to the United States.

3. Statements to the United States press on August 2 and September 20, 1947, of the intention of the United States Government to meet its international obligations in connection with revolutionary activities in other countries. This included a statement that as early as January 1947 the appropriate law-enforcing agencies of this government had been taking special precautions to prevent violation of United States neutrality and export control statutes with reference to possible revolutionary activity in the Caribbean.

4. Indictment by a Federal grand jury in Florida on November 25, 1947, of Manolo Castro (who was the then Cuban Government Director of Sports), Miguel Angel Ramirez (Dominican), Hollis B. Smith (American), and two American fliers, on a charge of conspiracy to violate the export control act. Manolo Castro was killed in Habana before the trial began; Miguel Angel Ramirez has never returned to the United States to stand trial; Hollis B. Smith was given a 2-year suspended sentence and put on probation for 3 years by a Federal court in Jacksonville, Florida, in March 1948.

5. On another charge of conspiracy to violate the export control laws in connection with the export of arms to Cuba during the Cayo Confites activity, Reinaldo Rosell (Cuban), and United States citizens Louis Dell, Frank Adkins, and Luis Bordas were given 2-year suspended sentences and were placed on probation for 3 years by a Federal court in Miami, Florida, in May 1948.

James G. Hurst Jr.

Hurst, a United States Air Force pilot during the recent World War, arrived in Guatemala City on January 1, 1948, in a war surplus bombing plane which he had flown out of the United States without obtaining an export license as required by law. In the investigation it was brought out that the plane had been purchased by him with funds made available from foreign sources for use in connection with plans for a revolution against the Government of Nicaragua. In response to a request of the United States Embassy, the Guatemalan Government impounded the bomber, which was later returned to the United States. In May 1949, Hurst was found guilty of violation of Section 452, Title 22, United States Code (Neutrality Act). He was sentenced to 2 years in the penitentiary and fined one thousand dollars. The penitentiary sentence was suspended for a period of 5 years to be conditioned on Hurst's good behavior.

Edward Browder, Jr., Harry A. Snow Olin D. Mason, and Others

In January 1948, two military aircraft were illegally flown out of the United States by Snow, Mason, and three other United States citizens to Puerto Cabezas, Nicaragua. Investigation revealed that Browder, who, as reported above, had previously been involved in the theft of United States Government property in connection with a revolutionary plot against the Venezuelan Government, was attempting in January 1948 to engage pilots to fly "to an unknown spot" outside the United States to load bombs and then to fly to Venezuela to bomb the city of Caracas. The American pilots stated to investigating authorities that, upon their arrival at the Nicaraguan airport, they were met by 33 Venezuelan citizens who had arrived that same week from the Dominican Republic. In addition to the Venezuelan citizens who had arrived from the Dominican Republic, subsequent investigation revealed that other individuals connected with the same movement had arrived in Nicaragua during January 1948, from Costa Rica, Panama, and the United States.

Following urgent action by United States Embassy officials in Nicaragua, the American airmen were transferred from their hotel in Managua to the United States Air Force Base at Managua and returned at an early date to the Canal Zone and the United States. Legal action was promptly

taken against them in the United States Federal courts. Browder pleaded guilty to separate indictments involving organizing a military expedition and violating the United States Neutrality Act. He was sentenced to 18 months imprisonment on each charge, the sentences to run concurrently. Snow, Mason, and the other individuals involved pleaded either guilty or *nolo contendere* to one or both of the above charges and received appropriate sentences.

Paul W. Warren

Paul Warren, a citizen of the United States, has for sometime resided in Costa Rica, where he has engaged in the business of obtaining animals for sale in the United States. In 1948, Mr. Warren became a vigorous partisan of the Caribbean Legion and an active participant in certain of its activities. On various occasions during September, October and November 1948, Warren made trips to Cuba, Guatemala and Honduras. In response to questions of United States authorities, he indicated that his travels were connected with activities of the Caribbean Legion. United States obligations under the Habana convention of 1928 and information as to certain United States statutes were communicated by United States officials to Warren. When it proved difficult to dissuade Warren from his activities, the United States Embassy at San José was directed to take up Warren's passport and inform him that it would be made valid only for his return to the United States. It was made clear to Warren that this government did not object to his remaining in Costa Rica for the carrying on of legitimate business but that the United States is strongly opposed to interference by its citizens in the internal political affairs of other nations.

Costa Rican-Nicaraguan Incident

The invasion of Costa Rica from Nicaraguan territory in December 1948 and the resulting action by the American states is a matter of recent record. This government supported wholeheartedly the inter-American action taken in solution of that controversy and is of the opinion that the course followed in connection with the Costa Rican-Nicaraguan incident offers a valuable precedent for problems of a similar nature. In that connection, the resolution of the Provisional Organ of Consultation of December 24, 1948, is con-

sidered by this government to have pertinence to the current problem. The United States has been happy to note the improved relations which have existed between Costa Rica and Nicaragua since the signing by the two governments on February 21, 1949, of the pact of friendship which terminated the incident, and which has subsequently been ratified by both governments.

The Luperon Incident

Information available to this government indicates that on the night of June 19, 1949, a PBY Catalina aircraft bearing United States registration No. N-1096-M was destroyed at Luperon on the north coast of the Dominican Republic after the persons on board endeavored to disembark munitions and attack the local authorities. All 15 persons aboard were either killed or captured. Of those killed, three were identified as American citizens, namely, John W. Chewning, Habet Joseph Maroot, and George R. Scruggs. The plane was registered in the United States in the name of Jesse A. Vickers of Miami Springs, Florida, who had applied for a license in May to export it to Mexico. This application was not approved by the United States Government. On June 4, however, the plane departed for Vera Cruz, and the circumstances surrounding the departure are now under investigation by the proper agencies of the United States Government to obtain information as to possible violations of United States statutes in this connection.

Reports received by United States officials in the course of this investigation indicate that other aircraft landed in Yucatan on June 18 and 19, destined for the Dominican Republic. According to these reports, two of these, which landed in Yucatan on June 18, were transports of Mexican registry, C-46 XB-HUV and C-47 XA-HOS. They are known to have been at the Air Force Base at San José, Guatemala, for several weeks prior to June 19, their presence there having been confirmed by the Guatemalan Government in a note to the United States Embassy. Two other aircraft, which landed on June 19, were Guatemalan army transports T-1 and T-2; they were reported to have returned to Guatemala on June 26.

The Chief of the Guatemalan Air Force subsequently informed the press that Air Force plane T-1 had not been outside Guatemala and that T-2 had just returned from Houston, Texas. Official United States Government records disclose that

T-2 did not have permission to enter the United States, nor was it reported at or in the vicinity of Houston during this period.

The reports also indicate that there were disembarked from these planes in Yucatan some 50 armed persons, several of whom made statements that they were destined for the Dominican Republic to overthrow the Dominican Government. Among the persons disembarked were two individuals who said they were United States citizens and gave their names as Marion R. Finley and Earl G. Adams. Also disembarked were the reported leaders of the expedition, Juan Rodriguez Garcia and Miguel Angel Ramirez (Dominicans), and Eufemio Fernandez (Cuban). Action by Mexican Government officials in taking into custody these armed men and military equipment prevented further movement of this group.

Conclusions

The formulation of recommendations for methods of dealing with the situation in the Caribbean area which fall within the duties and competence of the Inter-American Peace Committee would appear to depend to a very large extent upon the results of its study of the information which will be received in response to its request for cooperation from the American governments.

In the meantime, however, this government calls attention to the relevance to this situation of inter-American and other international agreements on nonintervention, and, specifically, to the 1928 Convention on the Rights and Duties of States in the Event of Civil Strife. It is suggested that the Committee may wish to give consideration to the question of whether obligations assumed in the 1928 convention and other agreements are being observed with sufficient positiveness by all states which have ratified them. It may wish also to consider whether a recommendation should be made that all states which have signed pertinent international agreements should take the steps necessary to complete their ratification. Such suggestions might also include reference to the desirability of there being domestic laws and enforcement machinery adequate to insure compliance with international obligations.

In view of the lapse of time and on the basis of experience regarding its applicability over intervening years, it is conceivable that the terms of the 1928 Convention may not be sufficiently clear or precise to cover situations to which it

was intended to apply, or situations of a kind which could not have been fully foreseen when that Convention was negotiated. The Committee may, therefore, wish to consider the desirability of recommending that the Convention should be reviewed, with a view to its being clarified and strengthened, as necessary, or to determining whether a new convention should be drafted.

It is pertinent to recall that, during consideration of the Costa Rican-Nicaraguan case by the Coas, acting as Provisional Organ of Consultation, the Committee of Information designated by that body presented a report which included, among other conclusions, the following which are particularly relevant to the broader problem:

"7. The existence of active military centers of international agitation constitutes, as it is natural to suppose, a justifiable ground for preoccupation on the part of the Governments affected.

"8. This situation, which is abnormal and dangerous for American international peace, explains why the majority of the Central American and Caribbean Republics have been living in an atmosphere of mutual distrust, constant anxiety, and open hostility for some time.

"9. The situation is all the more regrettable since, because of the characteristics which we have pointed out, the international relations of the republics involved must, of necessity, become more strained each day, as the fear of the intentions of one neighboring country obliges the other to take the precautions which it considers necessary, with serious detriment to its own economy and with grave danger to institutional life."

Furthermore, the Provisional Organ of Consultation approved, on December 24, 1948, a resolution which contains the following particularly relevant articles:

"IV. To request both Governments very earnestly to observe loyally by all the means in their power the principles and rules of non-intervention and solidarity contained in the various Inter-American instruments signed by them.

"VI. To recommend to all American Governments that they actively collaborate for the better fulfilment of the principles by which this Resolution is inspired."

It is suggested that the Committee may wish to invite the attention of all of the American states to the action which was taken at that time.

THE UNITED NATIONS AND SPECIALIZED AGENCIES

Fourth Anniversary of the United Nations

Statement by Secretary Acheson¹

A few days ago representatives of our government held an economic conference with officials of the British and Canadian Governments. This week I am conferring with the Foreign Ministers of Great Britain and France. Simultaneously, the delegates of 48 countries have been attending meetings of the International Bank and the Monetary Fund. Day after tomorrow, representatives of the 12 members of the North Atlantic Treaty will meet here in Washington. Next Tuesday the delegation of the United States will join representatives of the other members of the United Nations in the fourth session of the General Assembly at Lake Success.

There is a common link between all these meetings that should not go unnoticed. The theme that runs through them all, the single thread that ties them all together, is that cooperation among nations is a living, practical reality—that it is constantly growing in strength and effectiveness despite all obstacles. Our government, and the friendly governments with which we are closely associated, are resolutely carrying forward the tremendous effort to achieve economic stability and political tranquillity in the world, so that free peoples can keep their freedom and have a real opportunity to improve their conditions of life.

Much of the effort to achieve that purpose is being exerted through the United Nations and its related agencies. The part of the effort being put forth outside the structure of the United Nations is being carried forward in the spirit of the United Nations Charter and in the furtherance of its principles and purposes.

¹ Made before the National Citizens' Committee for U.N. Day on Sept. 15, 1949, and released to the press on the same date.

The United States delegation will enter into the deliberations of the General Assembly with the intention of making a determined, patient, conscientious effort to reconcile conflicting interests and to reach agreement on a basis for common action with other members under the auspices of the United Nations.

There is no doubt about the widespread support of the United Nations on the part of the American people. That support, I am sure, will continue unabated. But it must be an intelligent, a reasoned support, and one inspired by an understanding of what it can and cannot be expected to accomplish. We can do this without lessening one whit our devotion to the United Nations based on deeply felt conviction. We need more and more to realize that the United Nations is not a mechanism that operates automatically and perfectly, but an organization which can grow and that its growth and effectiveness depend upon the support of its member nations and upon the extent to which they use its organs and procedures.

This year marks the fourth anniversary of the United Nations—a very short period of history. The record shows that these have been years of achievement. This year alone, the United Nations dealt with conflicts affecting nearly one-quarter of the world's population. Within 12 months it has been possible, because of the United Nations, to make sure that forces of moderation and restraint could operate. That is a significant accomplishment. The United Nations is getting positive results in its effort to get people into the habit of reconciling their differences through reason and compromise, instead of fighting over them.

The United Nations is beginning to get results in its effort to alleviate the hunger, disease, pov-

erty, and ignorance that are such a tragic burden to the people of the world.

There is a hopeful and inspiring message for our people in the observance of United Nations Day. We shall be celebrating the increasing success of a cause to which the United States is contributing much—the cause of international cooperation as a practical, effective way of carrying on the world's business. We must not expect to achieve dramatic, conclusive results by this method, but if we apply ourselves we can accomplish something much more valuable—a steady, progressive improvement in the ability of the peoples of the world to live with each other in peace and mutual helpfulness.

Violation of Human Rights by Bulgaria and Hungary Placed on General Assembly Agenda

Statement by Secretary Acheson

[Released to the press September 14]

This government has now received replies from Bulgaria, Hungary and Rumania to its notes of August 1 asking those governments to join in naming commissions, under the peace-treaty procedure, in order to reach a settlement of the disputes over violation of the human rights clauses of the treaties.¹ In their replies, the three governments have refused to cooperate in establishing these commissions. They continue to insist that they have not violated the human rights clauses of the treaties, but they are unwilling to apply the procedures specifically provided in the treaties for just such cases of disputes over whether or not violations have taken place. In the view of this government they have compounded their earlier violations by this subsequent refusal to carry out the procedures for the settlement of disputes, obligations which they specifically assumed in the peace treaties themselves. The attitude shown by these three governments in their recent notes, as in their earlier notes replying to the charges made against them, calls into question their good faith in signing the treaties and provides further illustration of their callous disregard of clear international obligations.

The violation of human rights on the part of the Governments of Bulgaria and Hungary was discussed last April by the General Assembly of

the United Nations. The Assembly passed a resolution urgently drawing the attention of those governments to their obligations under the treaties, including the obligation to cooperate in the settlement of these disputes. This item has been placed on the agenda of the forthcoming session of the General Assembly, and it has been proposed (by Australia) that the case of Rumania also be discussed. The Assembly will have before it the full record of the disputes and will be able to judge for itself what further action to take.

Resolutions on Relations With Intergovernmental Organizations

A

The Economic and Social Council

Recommends Member Governments, which are also members of the International Chemistry Office, to take steps within that body to bring about its dissolution and transfer its assets and functions if appropriate to other organizations;

Recommends Member Governments, which are also members of the International Bureau for Technical Training, to take steps within that body to bring about its dissolution and transfer its assets and functions to the International Labour Organization; and

Requests the Secretary-General to render whatever assistance may be appropriate in connexion with the foregoing recommendations.

B

The Economic and Social Council,

HAVING CONSIDERED the resolution adopted on 3 August 1949 by the International Penal and Penitentiary Commission on its relations with the United Nations,

Continues to believe that the purposes of the Commission as set forth in article 1 of its Constitutional Regulations can be carried out within the United Nations while fully safeguarding the expert and professional character of the work undertaken in this field;

Requests the Secretary-General to enter into consultation with the Commission with a view to submitting to an early session of the Council a plan for the eventual integration within the United Nations of the Commission taking into account the principles set forth in section II of the above-mentioned resolution of the Commission and the views expressed at the ninth session of the Council; and

Invites Member Governments of the United Nations or of the Commission to transmit to the Secretary-General by 31 December 1949 any comments they may wish to make on this subject.

¹ BULLETIN of Aug. 15, 1949, p. 238.

C

The Economic and Social Council

NOTING that discussions have been initiated on the possible absorption or integration of the International Co-ordination Committee for European Migratory Movements into the International Labour Organization, and

NOTING that discussions have been initiated on the possible absorption or integration of the International Customs Tariffs Bureau into the future International Trade Organization;

Requests the Secretary-General to report in due course to the Council on the progress of the foregoing discussions.

D

The Economic and Social Council

Requests the United Nations Educational, Scientific and Cultural Organization to consult with the International Union for the Protection of the Rights of Authors and their Literary and Artistic Works on the question of the future relationship of the two bodies, and to include in its next report to the Council an account of the results of such consultations; and

Further requests the Secretary-General to submit a report on the matter to the eleventh session of the Council.

E

The Economic and Social Council

Recommends that working relationships be established by the Food and Agriculture Organization with the International Institute of Refrigeration;

Requests the Secretary-General to render whatever assistance may be appropriate.

F

The Economic and Social Council

Notes the understanding reached by the Food and Agriculture Organization with the International Office of Epizootics and approves the establishment of such relationships between them; and

Requests the FAO to examine the possibilities of establishing closer collaboration in this field and to include in its next report to the Council an account of the co-operation achieved.

G

The Economic and Social Council

Notes with approval the relationship established by the United Nations Educational, Scientific and Cultural Organization with the International Bureau of Education; and

Requests UNESCO to include in its next report to the Council an account of the co-operation achieved.

H

The Economic and Social Council

Notes with approval that relationships have been es-

tablished by the Economic Commission for Europe with the Central Commission for the Navigation of the Rhine;

Notes with approval that relationships have been established by the appropriate bodies of the United Nations and the specialized agencies with the Caribbean Commission;

Notes with approval that relationships are being established by the appropriate bodies of the United Nations with the South Pacific Commission.

I

The Economic and Social Council

Notes with approval that relationships have been established by the Food and Agriculture Organization with the following Organizations;

International Commission of Agricultural Industries,
Commonwealth Agricultural Bureaux,
International Council for the Exploration of the Sea,
Permanent International Bureau of Analytical Chemistry of Human and Animal Foods,
International Wine Office.

J

The Economic and Social Council

Considers it is not appropriate at the present time to take any steps towards the termination, absorption or integration into the United Nations or a specialized agency of the Inter-National Bureau of Weights and Measures; and

Notes with approval the establishment of working relations by the appropriate specialized agencies with that body.

K

The Economic and Social Council,

HAVING NOTED the fact that a meeting will be held in September 1949 to consider the establishment of a Council for the Mediterranean Sea and Contiguous Waters,

Considers that no decision can be taken, at the present time, on the possible termination, absorption or integration into another body of the International Commission for the Scientific Exploration of the Mediterranean Sea; and

Requests the Secretary-General to report on the matter to the next session of the Council.

L

The Economic and Social Council,

HAVING NOTED the letter from the President of the International Red Cross Committee to the Secretary-General dated 3 August 1949,¹

Decides to defer consideration in regard to the International Relief Union until the next session of the Council; and

Requests the Secretary-General to study the question and to report to the next session of the Council.

¹ See U.N. doc. E/AC.24/7.

M

The Economic and Social Council

Decides to make no recommendations at the present time on the possible termination, absorption or integration into another body of the following organizations;

Central International Railway Transport Office,
International Commission of the Cape Spartel Light,
International Conference for Promoting Technical Uniformity in Railways,
International Hydrographic Bureau,
European Conference on Time-Tables,
International Union for the Protection of Industrial Property,
International Cotton Advisory Committee,
International Rubber Study Group,
International Sugar Council,
International Tin Study Group,
Combined Tin Committee,
International Wheat Council,
International Wool Study Group; and

Requests the Secretary-General to submit a report on any new developments regarding these organizations to a later session of the Council.

N

The Economic and Social Council

Decides to take no action at present in regard to the Permanent Committee of the International Congress of Military Medicine and Pharmacy; and

Requests the Secretary-General to submit a report to the eleventh session of the Council on the possibility and desirability of closer relations and integration between that body, the World Health Organization and other international bodies.

O

The Economic and Social Council

Considers that no action at the present time is required regarding the possible termination, absorption or integration of, or the possible establishment of relationships, with, the following organizations;

International Union for the Protection of Nature,
Bank for International Settlements,
International Exhibition Bureau,
International Central Office for the Control of the Liquor Traffic in Africa.

P

The Economic and Social Council

Requests the Secretary-General to undertake discussions with the Director-General of the Organization of American States on the future status of the following bodies, including possible relationships with the United Nations or a specialized agency, and to report on the

results of these discussions to the next session of the Council;

Inter-American Institute of Agricultural Sciences,
Inter-American Indian Institute,
Pan-American Institute of Geography and History,
Office of Inter-American Telecommunications,
Pan-American Railway Committee,
Permanent American Aeronautical Commission,
Pan-American Sanitary Bureau,
Central Pan-American Bureau of Eugenics and Homiculture,
Inter-American Juridical Committee,
Inter-American Trademark Bureau,
American International Institute for the Protection of Childhood,
Nutrition Institute of Central America and Panama.

Q

The Economic and Social Council

Requests the Secretary-General to submit periodically to the Council the list of inter-governmental organizations¹ as revised from time to time;

Directs that the following organizations be deleted from that list;

International Office of Whaling Statistics,
International Fisheries Commission,
International Pacific Salmon Fisheries Commission,
International Ice Observation and Ice Patrol Service in the North Atlantic Ocean,
Far Eastern Commission,
International Criminal Police Commission,
International Institute for the Unification of Private Law,
United Nations War Crimes Commission,
Inter-American Commission for Territorial Administration,
Committee of Experts on the Codification of International Law,
Permanent Committee of Jurists on the Unification of the Civil and Commercial Laws of America,
Permanent Committee of Havana on the Comparative Legislation and the Unification of Law,
Permanent Committee of Montevideo on the Codification of Private International Law,
Permanent Committee of Rio de Janeiro on the Codification of Public International Law,
Inter-American Coffee Board,
Inter-Allied Reparation Agency,
Commissioner-General's Economic Organization (for South East Asia),
Inter-American Commission of Women;

and that the following organizations be added to that List:

International Whaling Commission,
Indo-Pacific Fisheries Council,
International Committee for Colorado Beetle Control,
Nutrition Institute of Central America and Panama.

¹ See U.N. doc. E/818/Rev. 1.

THE UNITED STATES IN THE UNITED NATIONS

[September 17-24]

General Assembly

The fourth regular session of the General Assembly opened at Flushing Meadows on September 20 with 23 of the 59 delegations headed by their countries' foreign ministers. The first week's sessions were devoted to organizational matters—the election of Ambassador Carlos P. Romulo of the Philippines as president and the election of seven vice presidents and the chairmen of the six main committees.

The Assembly adopted a formidable agenda of 69 old and new questions, including problems of wide international interest such as international control of atomic energy; regulation and reduction of armaments; alleged violations of human rights in Bulgaria, Hungary, and Rumania; Palestine; the Indonesian question; the Korean problem; disposition of the former Italian colonies; threats to the political independence and territorial integrity of Greece; proposals for an expanded program of economic aid to underdeveloped countries; and the admission of new members to the United Nations.

The Assembly will have before it two resolutions of the Atomic Energy Commission which the Security Council decided September 16 to pass to the Assembly. One of these suspends meetings of the Atomic Energy Commission "until such time as the sponsoring powers have reported there exists a basis for agreement." The other states that no useful purpose would be served by further discussion of the Soviet proposal for the drafting of two conventions on the prohibition of atomic weapons and on atomic energy control.

The Commission for Conventional Armaments, in accordance with a resolution of last Assembly, has worked out a proposal for a census and verification of the armaments and armed forces of United Nations member states, but the Security Council has not yet taken action on the Commission's report.

Since the Assembly discussed the alleged violations of human rights by Bulgaria and Hungary, efforts have continued to resolve the problem under procedures set forth in the peace treaties with the respective countries, including Rumania, but all three countries have shown themselves unwilling to apply such procedures. The Assembly must determine what further action to recommend in respect to the alleged violations.

The main aspects of the Palestine question fac-

ing the Assembly include the relief of refugees, internationalization of Jerusalem, and protection of the Holy Places. The Assembly will consider a report of the Economic Survey Mission now in the Middle East to study and recommend means of resettling the refugees and to plan the general economic development of the area.

The question of Indonesia was on the agenda of the last Assembly session but discussion was deferred in view of the encouraging negotiations between the Netherlands and the Indonesian Republic. United Nations machinery is still at work assisting in settlement of the dispute, and the round-table conference in session in The Hague has announced agreement in principle on several points working toward association of a proposed United States of Indonesia with the Dutch Crown.

The Korean Commission report before the Assembly places the main responsibility for blocking Korean unification on the Soviet Union, which has refused to comply with United Nations recommendations on Korea and to cooperate with the Commission.

The disposition of the former Italian colonies is another question held over from the last session where agreement could not be reached. The problem is before the United Nations in accordance with the Italian peace treaty provision to refer the matter to the United Nations if the Big Four nations could not reach agreement before September 15, 1948.

The Assembly will consider the report of the Special Committee on the Balkans which declares that Bulgaria and Albania have continued to give both moral and material assistance to the Greek guerillas and that there has been an increase in aid from Rumania and a decrease, or possible cessation, of aid from Yugoslavia. The report also notes the continued refusal of the bordering states to cooperate with the Special Committee and the refusal of Poland and the Soviet Union to take their seats as commission members.

The question of the admission of new members to the United Nations is also on the Assembly agenda. Seven applicants—Portugal, Jordan, Italy, Finland, Ireland, Austria, and Ceylon—received a majority vote in the Security Council again on September 13, but a negative vote of the U.S.S.R., as a permanent member of the Council, blocked their admission. On September 15 the Security Council again failed to admit Albania, the Mongolian People's Republic, Bulgaria, Rumania, and Hungary.

INTERNATIONAL ORGANIZATIONS AND CONFERENCES

U.S. Delegations to International Conferences

Third North American Regional Broadcasting Conference

The Department of State announced on September 14 that the President named Rosel H. Hyde, Commissioner, Federal Communications Commission, and Fletcher Warren, United States Ambassador to Paraguay, chairman and special consultant, respectively, of the United States delegation to the Third North American Regional Broadcasting Conference. The Conference convened at Montreal, September 13.

The other members of the United States delegation are as follows:

Chief Technical Adviser

John A. Willoughby, Acting Chief Engineer, Federal Communications Commission

Advisers

James E. Barr, Chief, Standard Broadcast Division, Bureau of Engineering, Federal Communications Commission

Raymond L. Harrell, Telecommunications Attaché, American Embassy, Habana

H. Underwood Graham, Chief, Allocations Branch, Standard Broadcast Division, Federal Communications Commission

Florence C. Kirlin, Special Assistant to the Assistant Secretary of State, Congressional Relations, Department of State

Joseph M. Kittner, Assistant to the General Counsel, Federal Communications Commission

Bruce S. Longfellow, Assistant Chief, Allocations Branch, Standard Broadcast Division, Federal Communications Commission

Donald R. MacQuivey, Divisional Assistant, Telecommunications Division, Department of State

Charles P. Nolan, Adviser, Transport and Communications Policy, Office of American Republic Affairs, Department of State.

Ralph J. Renton, Radio Engineer, Office of Chief Engineer, Federal Communications Commission

Edgar F. Vandivere, Chief, Information Analysis Branch, Technical Information Division, Bureau of Engineering, Federal Communications Commission.

Julius Brauner, General Counsel, Columbia Broadcasting System, New York

Louis G. Caldwell, Attorney, Clear Channel Broadcasting Service, Washington, D.C.

Commander T. A. M. Craven, Consulting Radio Engineer, Craven Lohnes and Culver, Washington, D.C.

William F. Duttera, Staff Allocations Engineer, National Broadcasting Company, New York

R. Russell Eagan, Attorney, Kirkland, Fleming, Green, Martin & Ellis, Washington, D.C.

Raymond F. Guy, Manager, Radio and Allocations Engineering, National Broadcasting Company, New York

Andrew G. Haley, Consulting Attorney, American Broadcasting Company, New York

Ralph N. Harmon, Engineering Manager, Westinghouse Radio Stations, Inc., Washington, D.C.

Royal V. Howard, Engineering Consultant, San Francisco

E. M. Johnson, Vice President, Mutual Broadcasting System, New York

William B. Lodge, Vice President in charge of General Engineering, Columbia Broadcasting System, New York

Gustav B. Margraf, Vice President and General Attorney, National Broadcasting Company, New York

Leonard H. Marks, General Counsel, Daytime Petitioners Association, Alexandria, Va.

Frank Marx, Vice President and Chief, American Broadcasting Company, New York

Neal McNaughton, Director, Department of Engineering National Association of Broadcasters, Washington, D.C.

Dwight A. Myer, Technical Field Director, Westinghouse Radio Stations, Inc., Washington, D.C.

Esterly Chase Page, Consulting Radio Engineer, Washington, D.C.

James D. Parker, Staff Radio Engineer, Columbia Broadcasting System, New York

Forney A. Rankin, Director, Department of Government Relations, National Association of Broadcasters, Washington, D.C.

Oscar W. B. Reed, Jr., Engineer, Jansky and Bailey, Washington, D.C.

Jay W. Wright, Chief Radio Engineer, Columbia Broadcasting System, New York

The Conference will bring together representatives of the Governments of Canada, Cuba, the Dominican Republic, Haiti, Mexico, and the United States for the purpose of endeavoring to produce a new agreement to regulate and establish principles governing the use of the standard broadcast band in the North American region.

The original North American Regional Broadcasting Agreement, signed at Habana, in 1937,

became effective in 1941 to continue in force for 5 years. In 1946 it was extended for an additional 3 years, expiring March 29 of this year.

Meeting of South Pacific Commission

The Department of State announced on September 13 that the four United States Commissioners on the South Pacific Commission will arrive this afternoon in Washington for a three-day period of consultation.

Those attending the series of meetings are:

Senior Commissioner—Dr. Felix M. Keesing, professor of anthropology at Stanford University, authority and author on the South Pacific area

Commissioner—Milton Shalleck, lawyer of New York

Alternate Commissioner—Dr. Karl C. Leebrock, vice-president of the University of Hawaii

Alternate Commissioner—Orsen N. Nielsen, American consul general, Sydney, Australia

This will be the second meeting in Washington of United States Commissioners, who were appointed by the President on April 28, 1948. This meeting has been arranged in order that the Commissioners may confer with officers of this government on matters relating to the South Pacific Commission. Among other problems which the Commissioners will discuss are items on the agenda of the fourth session of the Commission, which will be convened at Nouméa, New Caledonia, on October 22, 1949.

The South Pacific Commission was established in May 1948 as a regional advisory and consultative body on social and economic matters to the Governments of Australia, France, the Netherlands, New Zealand, the United Kingdom, and the United States. The territorial scope of the Commission comprises 15 non-self-governing territories in the Pacific Ocean which are administered by these participating governments and which lie wholly or in part south of the Equator and east from and including Netherlands New Guinea.

The Commission is designed to encourage and to strengthen international cooperation in advancing the economic and social rights and welfare of the inhabitants of the territories within its scope. The first and second sessions were held at Sydney, Australia, in 1948, and the third session was held in May 1949 at Nouméa, New Caledonia, the headquarters of the Commission. William D. Forsyth is the secretary general of the Commission.

The Commission, which is assisted by a research council and periodic conferences of representatives of the local inhabitants, will be an important means of promoting the economic and social well-being of the two millions of peoples of the islands of the South Pacific region. The first South Pacific Conference will be held at Suva, Fiji Islands, in April 1950. Although the Commis-

sion does not have any organic connection with the United Nations, its charter makes provision for full cooperation with the United Nations and its specialized agencies.

ILO: Asian Conference of Experts on Technical Training

On September 12 the Department of State announced that Duncan Campbell, labor attaché, stationed at the American consulate general at Batavia, Java, Indonesia, will represent the United States Government as an official observer at the Asian Conference of Experts on Technical Training of the International Labor Organization (ILO). This meeting is scheduled to be held at Singapore, September 12-24, 1949.

The ILO believes that the Singapore conference will have particular importance for its Asian manpower program and that it will lay the ground work for practical operations by the ILO Asian field office in vocational and technical training.

Pan American Institute of Geography and History

The Department of State announced on September 6 that Dr. Preston E. James, professor of geography at Syracuse University and United States member of the Commission on Geography of the Pan American Institute of Geography and History, will attend the First Meeting of the Commission which is scheduled to open at Rio de Janeiro on September 12.

Dr. James will also serve as chairman of the United States delegation to the First Pan American Consultation on Geography of the Institute which will be convened concurrently with the First Meeting of the Commission at the invitation of the Brazilian Government. Others named to serve as members of the United States delegation are: Dr. Arthur P. Biggs, assistant attaché, American Embassy, Buenos Aires; Dr. Samuel W. Boggs, special adviser on geography, Department of State; Dr. Clarence F. Jones, professor of geography, Northwestern University, Evanston, Illinois; and Betty Didcock, Department of State.

The Consultation has been called to aid the Commission in promoting the interchange of technical and scientific information among leading geographers of the Americas. Subjects to be discussed by the Consultation are under the following general headings: (1) physical geography; (2) biogeography; (3) human geography; (4) regional geography; and (5) the teaching of geography. As part of the meeting there will be held also an exhibit of the geographic publications and similar studies carried out by the various American governments.

The United States has supported the activities of the Pan American Institute of Geography and History since it was established in 1929.

THE RECORD OF THE WEEK

Waging Peace in the Americas

Address by Secretary Acheson¹

I am grateful to the Pan American Society for this welcome opportunity to meet with its distinguished membership and with so many friends from throughout the Western Hemisphere. It is a most appropriate setting in which to discuss the relations within our community of American Republics. There are two reasons in particular why I am glad to be able to discuss this subject tonight. The first is so obvious that we tend to take it for granted. It is that our countries are close neighbors, bound together by a common heritage of struggles for liberty and freedom.

The second reason is that the community between our countries presents us with a unique opportunity to press forward toward the positive objectives of our foreign policy. Much of our effort in other parts of the world has had to be devoted to repairing the destruction caused by war and to strengthening the free nations against aggression. We in this hemisphere have fortunately been spared the terrible destruction of war, and we are relatively remote from any direct threat against our independence. The prospects are, therefore, bright that we can continue to work together in an atmosphere of relative peace and stability. We are in a real sense waging peace in the Americas.

Basic Principles

Before discussing specific policies, it seems well to restate once more the basic principles on which our policy in this hemisphere must rest. They are:

Our essential faith in the worth of the individual;

¹ Made before the Pan American Society of the United States in New York, N. Y., on Sept. 19, 1949, and released to the press on the same date.

the preservation of our way of life without trying to impose it on others;

the observance by all governments of ethical standards based on justice and respect for freely accepted international obligations;

protection of the legitimate interests of our people and government, together with respect for the legitimate interests of all other peoples and governments;

the juridical equality of all the American Republics;

nonintervention in the internal or external affairs of any American Republic;

the stimulation of private effort as the most important factor in political, economic, and social purposes;

freedom of information and the development of free exchanges in all fields;

the perfection, with the other American countries, of regional and universal arrangements for maintaining international peace; and

the promotion of the economic, social, and political welfare of the people of the American Republics.

These then are our guiding principles. A statement of the specific policies which rest on these principles can best be made in conjunction with a review of our long-term objective.

National and Hemisphere Security

The primary objective of any government is necessarily the security of its territory and people. The Monroe Doctrine is an acknowledgement that the security of this hemisphere is indivisible. With the development of the inter-American sys-

tem, our countries have jointly created an effective security organization consistent with the Charter of the United Nations.

The Rio de Janeiro treaty of 1947 provides that in case of armed attack on an American Republic, each party pledges itself to assist in meeting the attack. One of the foremost policies of our country in foreign affairs is to fulfill its obligations under the Rio treaty and to seek the maximum cooperation among the American nations in achieving the objective of a secure and peaceful continent.

I stress this point because the security system which has culminated in the Rio treaty is now facing a crucial test.

For more than 2 years the Caribbean area has been disturbed by plots and counterplots. These plots have in themselves been inconsistent with our common commitments not to intervene in each other's affairs. Increasingly, however, denunciations have been succeeded by overt attempts at military adventure. Since 1945 few nations in the Caribbean area have escaped involvement, and at times the entire area has approached a state of political turmoil.

This situation is repugnant to the entire fabric of the inter-American system. The United States could not be faithful to its international obligations if it did not condemn it in the strongest terms. The energies spent in these adventures could much better have been put to use for peaceful purposes and improving the lot of the ordinary citizen. Aggression or plotting against any nation of this hemisphere is of concern to us. Wherever it occurs, or may be threatened, we shall use our strongest efforts, in keeping with our international commitments, to oppose it and to defend the peace of the hemisphere.

Only last Wednesday the Inter-American Peace Committee, meeting at the Pan American Union, set forth the principles and standards that bear on this situation. It is my hope that rigorous adherence to these principles and standards by all American governments will assure peace, not only in the Caribbean area, but also throughout the hemisphere.

We, the nations of this hemisphere, have a responsibility not only to ourselves but also to the rest of the world to live together in peace and harmony. Together we have played an important part in creating the United Nations. We must live up to the responsibilities which we have thus assumed toward the other member nations. This means, among other things, that we must abide by our regional commitments and maintain peace in our own midst. If all of the countries of the hemisphere proceed along these lines, as we in this country intend to do, there is no reason why any nation in the hemisphere should fear aggression.

Development of Representative Democracy

What I have said, however, should not be construed as blind adherence to the status quo. We oppose aggression; we do not oppose change. Indeed, we welcome and encourage change where it is in the direction of liberty and democracy. We have worked long and persistently in common with our neighbors toward this end.

We would like to see a world in which each citizen participates freely in determining periodically the identity of the members of his government. This is an objective for which we will continue to work, subject always to our common policy of nonintervention.

In the Americas we have had periods of high hope and periods of bitter discouragement as we have seen democratic institutions flourish in some countries, only to see them subverted in others. We always deplore the action of any group in substituting its judgment for that of the electorate. We especially deplore the overthrow by force of a freely elected government. In such situations we do not cease to hope that the people will regain the right to choose their leaders.

We realize, however, that the attainment of the democratic ideal in any country depends fundamentally upon the desires and efforts of the people of that country. The nature of democracy is such that it can be achieved only from within.

Democracy as we endeavor to practice it is a continuing development toward political maturity—not a formula to be imposed upon a nation by a self-appointed ruling class, as is the case with certain other forms of government. Its attainment is essentially a spiritual and personal problem to be solved by the people of each country for themselves.

We are encouraged in our purpose by the realization that the strength of democratic institutions throughout the hemisphere today is measurably greater than a generation ago. In spite of occasional disappointments, we note a steady forward progress. The spirit of democracy is alive and bearing fruit.

Recognition

Our policy with respect to recognizing new governments in the hemisphere is not inconsistent with our encouragement of democracy. We maintain diplomatic relations with other countries primarily because we are all on the same planet and must do business with each other. We do not establish an embassy or legation in a foreign country to show approval of its government. We do so to have a channel through which to conduct essential governmental relations and to protect legitimate United States interests.

When a freely elected government is overthrown and a new and perhaps militaristic government takes over, we do not need to recognize the new government automatically and immedi-

ately. We can wait to see if it really controls its territory and intends to live up to its international commitments. We can consult with other governments, as we have often done.

But if and when we do recognize a government under these circumstances, our act of recognition need not be taken to imply approval of it or its policies. It is recognition of a set of facts, nothing more. We may have the gravest reservations as to the manner in which it has come into power. We may deplore its attitude toward civil liberties. Yet our long-range objectives in the promotion of democratic institutions may, in fact, be best served by recognizing it and thus maintaining a channel of communication with the country involved. In this way we are also able to discharge our basic function of protecting the interests of our government and our citizens there. Since recognition is not synonymous with approval, however, our act of recognition need not necessarily be understood as the forerunner of a policy of intimate cooperation with the government concerned.

Economic Policy

The economic field offers the greatest opportunity for constructive action. Two sets of problems arise. The first are derived largely from the disruptions of the war, and we hope may be described as short-run problems. The second results from the fact that in wide areas the standard of living is still miserably low. This is a long-run problem, although no less urgent.

It was apparent that the war would be followed by a period of economic stress. In some areas the effectiveness of the economic machine had been destroyed. The effect of the war on various relationships which previously had been the basis of world trade—for example, the reduction in earnings on overseas investment by European countries—raised new issues with respect to achieving equilibrium. Although the heaviest initial impact of this problem fell on Europe, the fundamental disequilibrium has now extended around the world so that for every country the maintenance of trade and the balance of payments has become a major problem of foreign relations. It was obvious in its initial stage that there could be no real recovery in trade without the revival of production in Europe. Therefore, the European Recovery Program must be regarded not merely as a program to meet the individual problems of the European countries but also to revive the flow of goods to and from Europe. We are all aware of the serious character of the present balance-of-payments problems, and it is one to which we must direct our thoughts in the most constructive way possible.

While material well-being is no guaranty that democracy will flourish, a healthy and prosperous people is a far more fertile field for the development of democracy than one which is undernourished and unproductive. That is why we are and must be preoccupied with the long-term problem of economic development.

The record of our economic cooperation in this hemisphere is substantial. It is one of such proved soundness that it forms the precedent and the basis for the more constructive labor ahead.

For 10 years past a large work of technical cooperation has been under way throughout our countries. Our government participates in this work through many of its agencies, such as the Department of Agriculture and the Public Health Service. Our Institute of Inter-American Affairs is cooperating with agencies of the other governments in outstandingly successful programs to improve basic living conditions. Technicians and administrators from the United States and from the host countries work side by side in partnership with each other. They work among the peoples in the remote countryside as well as in the cities. The Institute of Inter-American Affairs has now been authorized by Congress to continue and to expand this work. These programs have furnished the inspiration and the proving ground for the world-wide program of technical cooperation envisaged in Point 4 of President Truman's inaugural address.

In 1935, we created the Export-Import Bank which has become a uniquely successful institution in the field of economic development. The steel mill at Volta Redonda in Brazil is in full operation and a lifelong desire of many Brazilian statesmen and businessmen has become a reality with a plentiful supply of steel products to complement the vigorous growth of industry in that country. At Concepción in Chile we shall soon see the realization of another project which has been brought about by the combination of energy on the part of Chilean leaders and cooperation by the Export-Import Bank in supplying the material needs to bring the idea into fruit. There are constructive evidences throughout the Americas of the good use to which Export-Import credits have been put—in the Artibonite Valley in Haiti, in meat packing plants in Mexico—in highways in many countries, in ships, power systems, public works, agricultural projects, large and small industrial undertakings. The total amount of loans advanced by the Bank to the other American Republics is over 700 million dollars. Defaults on these loans are insignificant.

The International Bank and the International Monetary Fund created at Bretton Woods in 1944 largely on the initiative of the United States, today are actively contributing to economic development and fiscal stability in this hemisphere. The Bank already has made loans to several American nations for basic development, and the

Fund has assisted in the solution of currency problems. Through our representation in both institutions, we shall continue our vigorous support of these constructive policies.

These specific programs represent actual deeds—not merely words. Nor are they isolated examples, but rather parts of a broad program of economic cooperation which, while reflecting our national self-interest, can leave no doubt as to our deep and lasting concern with the economic welfare of the other American Republics.

Private Capital and Public Funds

Loans of public funds, however, can only be supplementary to the efforts of private capital, both local and foreign. This country has been built by private initiative, and it remains a land of private initiative. The preponderance of our economic strength depends today as in the past upon the technical and financial resources and, even more, upon the abilities and morale of private citizens. I venture to say that the same thing is true of the other American nations.

In providing assistance for economic development, it would be contrary to our traditions to place our government's public funds in direct and wasteful competition with private funds. Therefore, it will be our policy, in general, not to extend loans of public funds for projects for which private capital is available. It is our purpose, also, to emphasize the desirability of loans which increase productivity.

Nor do we necessarily believe that rapid industrialization is good per se. Industrial development is an important factor in raising living standards, and therefore we have cooperated actively to this end. However, we feel that a balance should be achieved between industry, agriculture, and other elements of economic life. In many countries, large and small, the greatest immediate progress toward material well-being may be made through modern and diversified cultivation of the land. Irrigation projects, the use of agricultural machinery, the restoration of old land through fertilizers—these simple measures may do more to raise the standard of living than a dozen new industries.

We have had these principles in mind in elaborating the Point 4 program. Because we believe that the job ahead should be done primarily through private initiative, we have requested Congress to authorize the Export-Import Bank to offer certain guaranties against risks peculiar to foreign private investment.

We hope that the flow of private capital can be stimulated also by the negotiation of treaties to create an atmosphere favorable to increased private investment abroad. We are concerned with two types of treaties: first, treaties to avoid

double taxation; second, treaties to define our economic relations and give reasonable assurances to our investors while safeguarding the interests and integrity of the other country.

Special Needs of Countries

We believe that this general program can best be developed in full consideration of the special needs of individual countries. The conditions of the various nations of the hemisphere differ widely. Nor can all of our international problems be dealt with in the same way. In the field of economic development we have a common goal of high living standards and increased trade—just as in the political field we have a common goal of security and individual freedom. However, the process of economic development depends upon the efforts and resources of each individual country. There is no common formula. To be sure, the process can be facilitated in various ways by international organizations, such as the United Nations and its specialized agencies and the Organization of American States. But, in the last analysis, it depends upon the energy and resources of the individual countries themselves. The United States is prepared to lend its assistance, both directly and through international bodies, to working out specific programs with individual countries. Possibly this principle might be expanded to the working out of regional programs if two or more countries should seek to plan jointly for economic development.

I cannot stress too strongly that progress will come most rapidly in countries that help themselves vigorously. Economic development, like democracy, cannot be imposed from outside. Positive self-help is also essential to establishing conditions of economic stability and of fair treatment for private investment and the rights of labor. In countries where such conditions are provided, it will follow that we can collaborate more effectively in working out development programs. Public and private capital will be attracted more readily to such countries. While this is dictated by logic rather than emotion, it has been our experience that these conditions are generally founded in countries where constitutional and political democracy exists.

Conclusion

These then are our three major objectives—the security of our nation and of the hemisphere; the encouragement of democratic representative institutions; and positive cooperation in the economic field to help in the attainment of our first two objectives.

If I have said nothing new tonight, it may well be because, in a family of nations as in families of individuals we should expect nothing more sensational than growth.

We can take satisfaction in the stability of our policy in the hemisphere. The good-neighbor policy as we practice it today is, for us, an historic, bipartisan, national policy. It has been wrought by democrats at both ends of Pennsylvania Avenue—President Roosevelt, Secretary Hull, and Senator Connally, and also by Republicans at both ends of the Avenue—President Hoover, Secretary Stimson, and Senator Vandenberg. And this by no means exhausts the distinguished list who have contributed to this great policy.

Inter-American Faith in United Nations

Remarks by Assistant Secretary Miller¹

This is an outstanding occasion for anyone who is interested in inter-American affairs. It occurs in the midst of a momentous period in the development of our country's foreign policy as a symbol of our country's unflagging interest in our inter-American relations. During this period, the financial discussions with Great Britain and Canada have been going on and have demonstrated again the common purpose of the governments concerned to surmount problems of post-war readjustment which are of concern to all of the world. The meetings of the Governors of the International Bank and Fund have shown the strength and the continuing progress of these two great examples of international economic cooperation. Only last week in Washington there was created the organization which will give effect to the understanding set forth in the North Atlantic Treaty. Tomorrow, the General Assembly of the United Nations opens its fourth session at Lake Success. For the next few weeks the hopes of free people everywhere will be focused on its deliberations.

That all of these great events should take place in this country during such a brief period is, in perspective, dramatic proof of the deep interest and the active participation of the United States in the solution of international problems. This interest and this desire to participate would not be nearly as pronounced, however, if we had not behind us already an encouraging record of accomplishment in the field of international coop-

¹ Made before the Pan American Society of the United States at New York, N. Y., on Sept. 19, 1949, and released to the press on the same date.

It is the firm intention of President Truman, as it is of myself as Secretary of State—of the entire personnel of my Department and, I believe, of the people of my country—to work for ever closer relations between the nations of this hemisphere. We seek by positive good will and effort to strengthen the Organization of American States, within the more extensive design of the United Nations, as the most effective expression of law and order in this hemisphere.

We and the other American Republics have determined and pledged ourselves to carry on our common policy of the Good Neighbor as a living and constantly growing reality.

eration. We have no more inspiring single example of effective international cooperation than our inter-American system with its Organization of American States, for which all of the nations represented here tonight, have worked with zeal and persistence. This vigorous, functioning Organization is a source of pride for all of us.

It is entirely fitting, therefore, that during this series of international events which have been taking place we from the Department of State should be privileged to meet here tonight with this distinguished company to mark the deep and continuing interest which we all have in the welfare of our inter-American system. I wish to thank the Pan American Society for this opportunity to join in welcoming the distinguished representatives of our fellow American Republics who have met with us here tonight. It is pleasant to see here this evening many of the permanent representatives of those countries who live in our midst. A special welcome is felt by all of us for those who have newly come for the meeting of the General Assembly. We also are glad to have in our midst the Governors and Executive Directors on the International Fund and the International Bank. Finally, Dr. Alberto Lleras, Secretary General of the Organization of American States, occupies a unique position in that he represents our entire community of 21 nations.

An assemblage such as this of friends from throughout the hemisphere is in itself an inspiring event. It is an expression of our common faith in inter-American cooperation. We shall all, I am sure, leave here tonight with a renewed sense of dedication to press forward for the realization of our common purpose.

Joint Statements on Developments and Problems Facing U.S., U.K., Canada, France, and Italy

U.K.—FAR AND MIDDLE EAST

[Released to the press September 13]

Secretary of State Acheson and the Foreign Secretary of Great Britain, Mr. Bevin, met this afternoon to discuss matters of concern to their two countries, particularly in the Far East and the Middle East. They were assisted in their discussions by the following:

For the United States

Phillip C. Jessup, Ambassador at Large
George C. McGhee, Assistant Secretary for Near Eastern and African Affairs
W. Walton Butterworth, Director, Office of Far Eastern Affairs
Lewis W. Douglas, Ambassador to Great Britain
Livingston L. Satterthwaite, Chief, Division of British Commonwealth Affairs

For the United Kingdom

Sir Oliver Franks, British Ambassador
Roderick E. Barclay, Private Secretary to Foreign Secretary Bevin
M. E. Denning, Assistant Under Secretary of State

The discussion, which was a lengthy one, was primarily directed to an analysis of developments and of the problems facing their two governments. The discussion developed a community of views in regard to the nature of the developments and problems. In some areas which were under discussion the situation as it affected the two countries was, of course, not identical, but the discussion revealed similarity of opinion regarding objectives to be sought and the policies which would be most effective in reaching them.

It was not the purpose of the meeting to reach specific agreements on these matters. The meeting was regarded by the Secretary and the Foreign Secretary, as well as by their associates, as being of the greatest help in developing common understanding of the situation and the development of policy along parallel lines.

The conference this afternoon, which was the

continuation of similar talks held when Mr. Acheson and Mr. Bevin met in Paris, was the first of several to be held in Washington on this and other subjects. The closest consultation between the governments will continue after the Foreign Secretary returns to London.

FRANCE—EUROPE

[Released to the press September 14]

Secretary of State Acheson and the Foreign Secretary of Great Britain, Mr. Bevin, met again at 12 noon today to continue their discussion of various matters of concern to their two countries. The discussion today was largely on political developments in Europe, including the Balkans. The group considered briefly organization problems connected with the formation of the North Atlantic Pact Council. This discussion continued the mutually satisfactory exchange of views which were described after the conversations yesterday afternoon.

Others present for the meeting were the following:

For the United States

Phillip C. Jessup, Ambassador at Large
George C. McGhee, Assistant Secretary, for Near Eastern and African Affairs
Llewellyn Thompson, Deputy Assistant Secretary for European Affairs
Theodore C. Achilles, Deputy Director of the Office of European Affairs
Livingston Satterthwaite, Chief, Division of British Commonwealth Affairs

For the United Kingdom

Sir Oliver Franks, British Ambassador
Sir Gladwyn Jebb, Deputy Under Secretary of State
Roderick E. Barclay, Private Secretary to Foreign Secretary Bevin

The meeting adjourned at 1:05 p. m.

U.K., CANADA—PETROLEUM*[Released to the press September 15]*

Meetings between representatives of the Governments of the United States, the United Kingdom, and Canada started today to consider the special problems arising in connection with the production, refining, and geographical distribution of petroleum and petroleum products. The communiqué, issued at the conclusion of the U.S.-British-Canadian financial discussions on September 12, 1949, refers to these problems. The present discussions are those foreshadowed in that communiqué and will analyze oil transactions affecting the sterling area in the light of the legitimate interests of the countries and companies concerned.

The United States representatives will be under the leadership of Assistant Secretary of State, George W. Perkins. The British representatives will be led by Sir Henry Wilson-Smith and the Canadian representatives by R. M. Keith. It is anticipated that the complexity of the problem will require that the discussions continue for some time.

U.K., FRANCE—GERMANY AND AUSTRIA*[Released to the press September 15]*

The Secretary of State and the British and French Foreign Ministers met this afternoon to discuss several matters of concern to the three governments. Among the subjects discussed was the question of Germany. The three ministers are pleased that the agreements reached in London in 1948 and in Washington in 1949 have now so successfully culminated in the establishment of the Federal Republic of Germany. They have examined some of the problems of working relationships which may be expected to arise from the new arrangements in Western Germany.

The three ministers also discussed the outstanding unresolved issues in the Austrian treaty and reaffirmed their desire to fulfill the obligations assumed in the Moscow Declaration of 1943 to reestablish an independent Austria. They coordinated their plans for the conclusion of a satisfactory treaty at an early date and again expressed their willingness to proceed with the negotiations by the deputies for a treaty in New York on September 22. The ministers hope that a reply will be received from the Soviet Government accepting this proposal which was made by the United States deputy at the close of the conference of the deputies in London on September 1.

The three ministers also exchanged views on current developments in Yugoslavia and the Balkans.

FRANCE—ECONOMIC RECOVERY*[Released to the press September 15]*

Secretary of State Acheson and Secretary of the Treasury Snyder, assisted by ECA Administrator Paul Hoffman, and by Ambassador W. Averell Harriman, conferred today with the Minister of Foreign Affairs of France, Robert Schuman; Minister of Finance and Economic Affairs, Maurice Petsche; and Ambassador Bonnet.

These conversations continued those held with Mr. Snyder in Paris during the month of July. Economic and financial problems of common interest were reviewed within the spirit of the international agreements, to which the two countries have adhered, with a view to the development of a flow of international commerce as large and as free as possible.

The representatives of France were informed that the arrangements for working out conditions under which world trade can develop steadily and with increasing freedom, recently discussed between the United Kingdom, Canada, and the United States, would be equally applicable to France and the other ECA countries. In particular, this would apply to customs regulations, eligibility requirements within the limits set by the Economic Cooperation Act, and the review of the stock-piling program.

Special attention was given to the important and urgent problem of the liberalization of trade and payments within Europe.

The officials of the two countries reaffirmed their confidence in the OEEC and their common desire that none of the problems which fall within the area of competence of the OEEC be dealt with outside of that organization.

It was agreed that the various questions raised during the course of the conversation would continue to be followed by experts of the two governments.

ITALY—FORMER ITALIAN COLONIES*[Released to the press September 14]*

This afternoon the Secretary of State and the Italian Foreign Minister, Count Carlo Sforza, met and discussed a number of problems, including the organization under the North Atlantic Treaty, the disposition of the former Italian colonies, and other questions of mutual interest to the United States and Italy. Accompanying Count Sforza was the Italian Ambassador to the United States, Alberto Tarchiani.

Participating for the State Department were:

Theodore Achilles, Deputy Director of the Office of European Affairs
 Livingston Satterthwaite, Chief of the Division of British Commonwealth Affairs
 Leonard Unger, Acting Chief of the Division of Southwest European Affairs

Continued

BELGIUM—EUROPEAN INTEGRATION*[Released to the press September 16]*

Secretary Acheson met this afternoon with the Foreign Minister of Belgium, Mr. van Zeeland, to discuss problems of mutual interest to their two countries.

Among subjects discussed was the question of

European political and economic cooperation and integration. Secretary Acheson and Mr. van Zeeland were in agreement as to the opportunities offered at the present time in this direction. The role and the possibilities of OEEC, of which Mr. van Zeeland is at present the chairman, were discussed and reviewed.

Mr. van Zeeland also outlined the recent work of the Council of Europe at Strasbourg, where he served as President of the Committee of Ministers.

North Atlantic Council**COMMUNIQUE***[Released to the press September 17]***I.**

The Council established by Article 9 of the North Atlantic Treaty held its first session in Washington on September 17, 1949. Representatives of the Parties to the Treaty attending this first session were: For Belgium, the Minister of Foreign Affairs, M. Paul van Zeeland; for Canada, the Secretary of State for External Affairs, Mr. Lester B. Pearson; for Denmark, the Minister of Foreign Affairs, Mr. Gustav Rasmussen; for France, the Minister of Foreign Affairs, M. Robert Schuman; for Iceland, the Minister to the United States Mr. Thor Thors; for Italy, the Minister of Foreign Affairs, Count Sforza; for Luxembourg, the Minister of Foreign Affairs, Mr. Josef Bech; for the Netherlands, the Minister of Foreign Affairs, Mr. Dirk U. Stikker; for Norway, the Minister of Foreign Affairs, Mr. Halvard M. Lange; for Portugal, the Minister of Foreign Affairs, Mr. José Caeiro da Matta; for the United Kingdom, the Secretary of State for Foreign Affairs, Mr. Ernest Bevin; for the United States, the Secretary of State, Mr. Dean Acheson.

The task of the Council is to assist the Parties in implementing the Treaty and particularly in attaining its basic objective. That objective is to assist, in accordance with the Charter, in achieving the primary purpose of the United Nations—the maintenance of international peace and security. The Treaty is designed to do so by making clear the determination of the Parties collectively to preserve their common heritage of freedom and to defend themselves against aggression while emphasizing at the same time their desire to live in peace with all governments and all peoples.

It is in this spirit that the Foreign Ministers of the Parties have met in Washington and have taken steps to implement the Treaty. The meetings of the Council showed that all parties are united in their resolve to

integrate their efforts for the promotion of lasting peace, the preservation of their common heritage and the strengthening of their common defense.

The main purpose of the Council during this first session was to provide for its own future operation and, in accordance with Article 9, to establish a Defense Committee and such other subsidiary bodies as are deemed necessary to assist the Council in considering matters concerning the implementation of the North Atlantic Treaty.

II. Organization

The Council is the principal body in the North Atlantic Treaty Organization. In accordance with the Treaty, the Council is charged with the responsibility of considering all matters concerning the implementation of the provisions of the Treaty. Such subsidiary bodies as are set up under Article 9 of the Treaty are subordinate to the Council.

The organization established under the North Atlantic Treaty should be operated with as much flexibility as possible and be subject to review from time to time. The establishment of this machinery does not preclude the use of other means for consultation and cooperation between any or all of the Parties on matters relating to the Treaty.

III. Council

As regards its own organization, the Council agreed as follows:

As decided on April 2, the Council will normally be composed of Foreign Ministers. Should the latter be unable to attend, their places shall be taken by plenipotentiary representatives designated by the Parties. To enable the Council to meet promptly at any time the diplomatic representatives in Washington of the Parties shall

be empowered to act as their Government's representatives whenever necessary.

Terms of Reference

The North Atlantic Treaty shall constitute the terms of reference of the Council.

Time and Frequency of Sessions

The Council shall be convened by the Chairman and shall meet in ordinary session annually and at such other times as may be deemed desirable by the majority of the Parties. Extraordinary sessions under Articles 4 and 5 of the Treaty may be called at the request of any Party invoking one of these Articles.

Location of the Council Sessions

The location of each session of the Council shall be determined by the Chairman after consultation with the other members of the Council. For general convenience the ordinary annual session should normally be held at about the same time and in the same general geographical area as the annual session of the General Assembly. Other ordinary sessions should whenever practicable be held at some convenient location in Europe.

Chairmanship

Chairmanship shall be held in turn by the Parties according to the alphabetical order in the English language beginning with the United States. Each Party shall hold the office from the beginning of one ordinary annual session until the appointment of the new Chairman at the following ordinary annual session. If any Party does not wish to accept the Chairmanship, it shall pass to the next Party in alphabetical order.

Languages

English and French shall be the official languages for the entire North Atlantic Treaty Organization.

Permanent Coordination

Additional political bodies shall not be established unless and until experience has demonstrated their need. However, the existing informal arrangement for consultation between representatives in Washington of the Parties shall be maintained.

IV. Defense Committee

The Council established a Defense Committee.

The Council reaffirmed that ensuring the security of the North Atlantic area is a primary objective of the North Atlantic Treaty and is vital to the security of each of the Parties. It is therefore of paramount importance that the Parties, separately and jointly, by means of continuous and effective self-help and mutual aid, maintain and develop their individual and collective capacity to resist armed attack. The Defense Committee should therefore immediately take the requisite steps to have

drawn up unified defense plans for the North Atlantic area.

As regards the organization of the Defense Committee, the Council agreed as follows:

The Defense Committee will be composed of one representative from each Party. These representatives will normally be Defense Ministers. In any case where this is not possible, another representative may be designated.

Terms of Reference

The Defense Committee shall recommend measures for the implementation of Articles 3 and 5 in accordance with general policy guidance given by the Council.

Time and Frequency of Sessions

The Defense Committee shall be convened by the Chairman and shall meet in ordinary session annually and at such other times as it may be requested to meet by the Council or as may be deemed desirable by the majority of the members of the Defense Committee.

Location

The location of each session of the Defense Committee shall be determined by the Chairman in consultation with the members of the Committee.

Chairmanship

Chairmanship shall be held in turn by the Parties according to the alphabetical order in the English language beginning with the United States. Each Party shall hold the office from the beginning of one ordinary annual session until the appointment of the new Chairman at the following ordinary annual session. If any Party does not wish to accept the Chairmanship, it shall pass to the next Party in alphabetical order.

The Council suggested to the Defense Committee the general outline of those subsidiary military bodies which it considered appropriate for the task of aiding the Defense Committee in recommending measures for the implementation of Articles 3 and 5 of the Treaty. The Defense Committee was invited, among other things, to consider the question of these subsidiary bodies in detail and to elaborate on the general provisions suggested by the Council for each body.

V. Military Committee

The Council suggested in general terms that the military organization should include the following:

The Defense Committee should establish a Military Committee composed of one military representative from each Party. These representatives should be Chiefs of Staff or their representatives. (Iceland, having no military establishment, may, if it so desires, be represented by a civilian official.)

Terms of Reference

The Military Committee should:

provide general policy guidance of a military nature to its Standing Group;

THE RECORD OF THE WEEK

Continued

advise the Defense Committee and other agencies on military matters as appropriate;

recommend to the Defense Committee military measures for the unified defense of the North Atlantic area.

Location

The Military Committee should normally meet in Washington.

Standing Group

In order to facilitate the rapid and efficient conduct of the work of the Military Committee, there should be set up a sub-committee of that body to be known as the "Standing Group". The Standing Group should be composed of one representative each of France, the United Kingdom, and the United States.

Terms of Reference

The Standing Group, in accordance with general policy guidance provided by the Military Committee, should provide such specific policy guidance and information of a military nature to the Regional Planning Groups and any other bodies of the organization as is necessary for their work.

To achieve the unified defense of the North Atlantic area, the Standing Group should coordinate and integrate the defense plans originating in the Regional Planning Groups, and should make appropriate recommendations thereon to the Military Committee.

The Standing Group should recommend to the Military Committee those matters on which the Standing Group should be authorized to take action in the name of the Military Committee within the framework of approved policy.

It is recognized that it is the responsibility of individual governments to provide for the implementation of plans to which they have agreed. It is further recognized that it is the primary responsibility of the Regional Planning Groups to prepare plans for the defense of their respective regions. Subject to these principles, it is understood that before the Standing Group makes recommendations on any plan or course of action involving the use of forces, facilities, or resources of a Party not represented on the Standing Group, going beyond or differing from arrangements previously agreed by the Party concerned, the Party should have the right to participate in the Standing Group in the work of formulating such recommendations. It is also understood that when communicating their regional plans to the Standing Group, the Regional Planning Groups should be entitled to have their plans presented and explained by any one of their members and not necessarily by a member of the Standing Group.

Time and Frequency of Sessions

The Standing Group should be so organized as to function continuously.

Location

The permanent site of the Standing Group should be in Washington.

Permanent Representation

In order to maintain close contact with the Standing Group, a Party not represented thereon may appoint a special representative to provide permanent liaison with the Standing Group.

VI. Regional Planning Groups

In order to ensure speedy and efficient planning of the unified defense of the whole North Atlantic area there should be established Regional Planning Groups on a geographical basis. It should be provided that:

(1) before any Regional Planning Group makes any recommendations affecting the defense of the territory or involving the use of forces, facilities, or resources of any Party not a member of that Group, that Party should have the right to participate in the Group in the work of formulating such recommendations;

(2) any Group which considers that a Party not a member of the Group can contribute to the defense planning of that Group's region, can call upon that Party to join in the planning as appropriate.

Composition

NORTHERN EUROPEAN REGIONAL PLANNING GROUP

Denmark, Norway, and the United Kingdom.

The United States has been requested and has agreed to participate actively in the defense planning as appropriate.

Other Parties may participate under the provisions listed above.

WESTERN EUROPEAN REGIONAL PLANNING GROUP

Belgium, France, Luxembourg, the Netherlands, and the United Kingdom.

Canada and the United States have been requested and have agreed to participate actively in the defense planning as appropriate.

Other Parties may, and in particular Denmark and Italy will, participate under the provisions listed above.

SOUTHERN EUROPEAN-WESTERN MEDITERRANEAN REGIONAL PLANNING GROUP

France, Italy, and the United Kingdom.

The United States has been requested and has agreed to participate actively in the defense planning as appropriate.

Other Parties may participate under the provisions listed above.

It is recognized that there are problems which are clearly common to the defense of the areas covered by the three European regional groups. It is therefore important that arrangements be made by the Defense Committee with a view to ensuring full cooperation between two, or if the need arises, all three groups.

CANADIAN-UNITED STATES REGIONAL PLANNING GROUP

Canada and the United States.

Other Parties may participate under the provisions listed above.

NORTH ATLANTIC OCEAN REGIONAL PLANNING GROUP

Belgium, Canada, Denmark, France, Iceland, the Netherlands, Norway, Portugal, the United Kingdom and the United States.

The responsibilities for planning the defenses in the North Atlantic Ocean cannot be shared equally by all members of the Group. On the other hand, these responsibilities can to some extent be divided along functional lines and allocated to those Parties who are best able to perform the respective defense functions. Therefore, the North Atlantic Ocean Regional Planning Group, when it meets, should establish a series of planning sub-groups related to specific functions of defense. The Group should determine on which sub-group or sub-groups each Party should sit, and the arrangements necessary to ensure coordination between these sub-groups in the interest of speedy and effective planning.

Terms of Reference

Each Regional Planning Group should:

develop and recommend to the Military Committee through the Standing Group plans for the defense of the region;

cooperate with the other Regional Planning Groups with a view to eliminating conflict in, and ensuring harmony among, the various regional plans.

Location

The Defense Committee should consider the question of the location of the Regional Planning Groups.

VII

The Council recognizes that the question of military production and supply is an integral part of the whole problem of the defense of the North Atlantic area. Consequently, there shall be established as soon as possible appropriate machinery to consider these matters. The details of organization of this machinery, terms of reference, etc., shall be studied forthwith by a working group which shall submit recommendations to the Defense Committee or to the Council.

VIII

The Council recognizes the importance of economic and financial factors in the development and implementation of military plans for the defense of the North Atlantic area. Consequently, there shall be established as soon

as possible appropriate machinery to consider these matters. The details of organization of this machinery, terms of reference, etc., shall be studied forthwith by a working group which shall submit recommendations to the Council.

U.S. Concern Regarding Recent Developments in Bolivia

On September 8 Michael J. McDermott, Special Assistant to the Secretary, Press Relations, made the following statement:

The United States Government has been and is deeply concerned about the events which have been taking place in the friendly American Republic of Bolivia. The freedom-loving citizens of the United States whose representative government is based on periodic free elections cannot fail to be disturbed when a minority political group in any country attempts by force of arms to overthrow a government which has gained its right to authority through genuine elective processes.

U.S.-U.K.-Canadian Discussions on Atomic Energy Begun

[Released to the press September 15]

The exploratory talks referred to by the President in his statement of July 28, 1949, regarding American, British, and Canadian relations in the field of atomic energy, will commence on September 20, 1949.¹ The talks will be conducted by the Combined Policy Committee, which supervises Anglo-American-Canadian relations in this field. Members of the Committee are:

The United States

The Secretary of State, Dean Acheson, Chairman
The Secretary of Defense, Louis Johnson
The Chairman of the Atomic Energy Commission, David E. Lillenthal

The United Kingdom

The British Ambassador, Sir Oliver S. Franks
The British Minister, Sir Derick Hoyer-Millar

Canada

The Minister of Trade and Commerce, C. D. Howe

As the President has stated, no new arrangement will be made in these conversations as regards future relations among the three countries, pending further consultations with the Congress.

¹ BULLETIN of Aug. 8, 1949, p. 185.

Tripartite Economic Conference Ends

U.S., U.K., AND CANADA AGREE ON MEASURES TO EXPAND DOLLAR EARNINGS OF STERLING AREA

Anglo-American-Canadian financial talks were concluded here on September 12, with the three nations agreeing to work together to enable Britain and the entire sterling area to increase their dollar earnings so as to pay their way by 1952.

In a joint communiqué issued by conference representatives, methods of easing the present economic crisis were proposed.

The following is the text of the communiqué as issued on September 12:

1. Representatives of the United States, the United Kingdom, and Canada have met during the past week to examine the trade and financial relationships between the sterling area and the dollar area. The pound and the dollar are the two principal world trading currencies. While the development of a satisfactory balance of payments between the two areas is a matter of fundamental concern to the democratic world, it involves many problems which concern in the first instance the governments which are the centers of these two currency systems. The present discussions were held to examine these problems. It was recognized that the task of working out conditions under which world trade can develop steadily and in increasing freedom will require a strenuous and sustained effort, not only on the part of the United States, the United Kingdom, and Canada, but also by all other countries desiring the same objectives.

2. It was agreed that the common aim is to work toward an ultimate solution which will maintain employment and establish equilibrium of international trade on a mutually profitable basis at high levels. These objectives and general course of action have already been set forth in the United Nations Charter, the Bretton Woods Agreements, and the Havana Charter for an International Trade Organization. It was the broad purpose of the present meetings to explore, within this general framework, various specific measures which the three governments might take to prevent a serious breakdown in the dollar-sterling relationships which would have led to a crippling limitation of dollar imports into the sterling area and to hasten the achievement of those objectives.

3. These conversations have carried forward the consultations initiated in London during July 8-10. They have resulted in a clear understanding of the character of the difficulties to be faced and an increasing realization that a fully satisfactory solution will necessitate continuing efforts in many directions. In the course of these

conversations it has become possible to discuss with complete frankness specific problems and the types of measures which will have to be taken if the three countries are to achieve their common purpose.

4. In the early stages of the discussion, attention was given to the immediate problem confronting the United Kingdom and the rest of the sterling area as a result of the rapid decline of gold and dollar reserves. Note was taken by the three governments of the emergency action which sterling area countries have decided to take to meet this situation. These measures are not pleasant ones; they will cause difficulties and sacrifices for everyone concerned. Nevertheless, they are a temporary necessity, and are recognized as such by all three governments.

5. The Ministers were in complete agreement that no permanent solution to the problem could be found in the emergency steps contemplated. A more fundamental attempt would have to be made by all concerned to expand the dollar earnings of the sterling area and to increase the flow of investment from the North American Continent to the rest of the world, including the sterling area.

6. This more fundamental attempt would involve both separate actions of the three countries operating individually, and joint action by the three acting in cooperation with each other. In approaching these possibilities of individual and joint action on the sterling-dollar problem, there was common agreement that this action should be based on the assumption that extraordinary aid from the North American Continent would have come to an end by the middle of 1952. This would require that the sterling area increase its dollar earnings so as to pay its way by 1952. This would require in the sterling area the creation of appropriate incentives to exporters to the dollar area and a vigorous attack upon costs of production to enhance the competitive position of sterling area products. Maximum efforts would be made to direct exports to the dollar area and build up earnings from tourism and other services. As a part of this export campaign by the sterling area countries, it was recognized that an essential element was the creation of a feeling of confidence on the part of sterling area exporters. They must feel that they will be afforded the opportunity to remain in the markets of the United States and Canada in which they will have gained a place, and that the minimum of difficulties will be placed in their way in entering those markets.

On their part the creditor countries undertook to facilitate, to the greatest extent feasible, an expansion of dollar earnings by debtor countries, including the sterling area. It was agreed that the United States and Canada should

reduce obstacles to the entry of goods and services from debtor countries, in order to provide as wide an opportunity as possible for those countries to earn dollars through the export of goods and the provision of services, including tourism. It was recognized that such a policy would be in the interest of producers in the United States and Canada, for only in this way can the future level of trade provide adequately for those sectors of the American and Canadian economies which depend in considerable part upon foreign markets.

7. The discussion of possible individual and joint actions, both long-run and short-run, ranged over a wide field. In addition to the question of dollar earnings of the United Kingdom and the rest of the sterling area, mentioned above, the Ministers gave special attention to the following subjects:

1. Overseas investment
2. Commodity arrangements and stockpiling
3. Limitations on items which may be financed under present ECA procedures
4. Customs procedures
5. Tariff policy
6. Liberalization of intra-European trade and payments
7. Sterling balances
8. Petroleum
9. Shipping
10. Provisions for continuing consultation

8. A working group on overseas investment reviewed both recent experience and future prospects for the flow of productive investment, both private and public, from North America to overseas areas, especially underdeveloped countries. It was agreed that a high level of such investment could make an important contribution toward reducing the sterling-dollar disequilibrium and that every aspect of this problem should be explored on a continuing basis. In order to initiate this work, the President's Committee for Financing Foreign Trade will be asked immediately to explore possible lines of action in cooperation with corresponding groups of British and Canadian financial and business representatives.¹ While dealing with all aspects of private and public investment, the Committee will be expected to address itself especially to the problem of incentives and of providing a suitable environment for a high level of private investment.

9. A working group on commodity arrangements and stockpiling gave special attention to rubber and tin. The Canadian representatives stated that the Canadian Government was prepared to take steps to increase reserve stocks of tin and rubber in Canada. The United States representatives reported that the United States Government was prepared to open to natural rubber a substantial

¹The following is the membership of the President's Committee for Financing Foreign Trade which was established June 26, 1946: Winthrop W. Aldrich, chairman, The Chase National Bank of the City of New York, New York, N. Y., Champ Carry, president Pullman-Standard Car Manufacturing Corp., Chicago, Ill., Walter J. Cummings, chairman Continental-Illinois National Bank and Trust Co., Chicago, Ill., L. M. Giannini, president Bank of America, San Francisco, Calif., Edward Hopkinson, Jr., partner, Drexel and Company, Philadelphia, Pa., Irving S. Olds, chairman, U. S. Steel Corporation, New York, N. Y., Herbert H. Pease, president New Britain Machine Co., New Britain, Conn., A. W. Robertson, chairman Westinghouse Electric Corp., Pittsburgh, Pa., Tom K. Smith, president The Boatmen's National Bank of St. Louis, St. Louis, Mo., Charles Deere Wilman, president Deere and Company, Moline, Ill.

additional area of competition, including a modification of the Government order relating to the consumption of synthetic rubber. The United States would review its stockpiling program, with particular reference to rubber and tin.

10. Special attention was given by another group to the practical difficulty being experienced by the United Kingdom in making fully effective use of its ECA aid to cover its dollar deficit. This difficulty arises out of the fact that, although the United Kingdom needs dollars to pay for goods in the United States, to make settlements with other countries, to pay for services, and for other purposes, the types of transactions which may be financed by ECA dollars have been definitely limited. It has been agreed that, in order to carry out the basic purposes of the Economic Cooperation Act, it will be necessary for the United Kingdom to finance with its share of ECA funds a wider range of dollar expenditures than has hitherto been eligible, both within and outside of the United States. After careful examination of the dollar expenditures proposed to be made or authorized by the United Kingdom, it appears that eligibility requirements can be broadened to the extent required within the limits set by the Economic Cooperation Act. This would broaden the use but not increase the amount of ECA funds allocated to the United Kingdom.

11. In the consideration of measures which creditor countries might take to reduce barriers to trade, it was recognized that customs procedures may create obstacles, psychological as well as actual. Technical discussions of this subject disclosed that the United States, through administrative action and proposed legislation, was already contemplating constructive steps in this field. Canadian representatives stated that the Canadian Government would undertake a further review of the administrative operation of its Customs Act in the light of these discussions. As to tariff rates, it was noted that high tariffs were clearly inconsistent with the position of creditor countries. There had already been significant and substantial reductions in U. S. tariffs during the last fifteen years. The policy of the United States Government was to seek further negotiation of trade agreements through which additional reductions might be made, within the framework of the Reciprocal Trade Agreements Act.

12. There was agreement that one of the ways in which the competitive position of United Kingdom products might be improved was by a widening of the area in which such products competed freely with those of other countries. In this connection as an initial step toward a more general liberalization the United Kingdom delegation outlined its proposals for liberalizing trade with countries with which it did not have balance of payments difficulties, and raised the question whether the provisions of Section 9 of the Anglo-American Financial Agreement, and Article 5 of the Anglo-Canadian Financial Agreement presented an obstacle to such a plan. It was the view of the United States and Canadian delegations that such liberalization of United Kingdom import regulations should be considered since the United Kingdom shortage of dollars should not in itself force the United Kingdom to reduce its purchases from areas with which it does not have a shortage of means of payment. It was agreed that any United Kingdom import regulations as they affect United States and Canadian products would be the subject of continuing review by representatives of the three governments through continuing facilities for consultation.

13. (a) A further subject which was discussed was the United Kingdom liability represented by the sterling balances of other countries. A large number of countries has been accustomed to hold either all or a part of their foreign exchange reserves in the form of sterling. The

existence and availability of such holdings is an integral feature of the widespread multilateral use of sterling for the purpose of financing international trade. One of the problems of the postwar period has been the existence of exceptionally large accumulations of sterling which were built up, mainly during the war, as the result of payments by the United Kingdom for goods and services purchased overseas in furtherance of the common war effort. In June 1945 these balances amounted to \$13½ billion. Since then there have been considerable fluctuations both in the total and in the holdings of individual countries, though the amount outstanding at the end of 1948 was approximately the same as at June 1945.

(b) In principle the whole of these balances represents a charge on United Kingdom production of goods and services. In practice, however, a substantial proportion will continue to be held as reserves by the countries concerned. To the extent that the balances are liquidated, some proportion of United Kingdom production of goods and services is used to discharge this liability instead of to pay for current imports of goods and services.

(c) This whole problem in its various aspects, including the necessity to provide capital goods for development, was discussed in a preliminary way on the basis of prior technical examination by the experts of the three governments. It was agreed that this was one of the subjects which concerned other countries and would require further study.

14. Investigation of the ways in which the sterling area could move toward a position in which it could earn its own way led to the discussion of other special problems, including petroleum and shipping—two important elements in the sterling area balance of payments picture. The United Kingdom representatives set forth the facts of the very large dollar deficit which the sterling area presently incurs because of oil transactions, and their desire to reduce this deficit to the minimum possible level. It was mutually recognized that the question of oil production and refining, and geographical distribution raised problems of extreme complexity involving the protection of legitimate interests of the major producing countries and companies. The Ministers recognized that these two questions of petroleum and shipping could not be resolved in the short time available to them, and that further study would be required. In the case of petroleum they agreed to appoint representatives to analyze the facts and to provide the basis for subsequent discussions.

15. There has been agreement on the objective toward which policies should be directed and agreement on certain immediate steps which will be taken to bring that objective nearer. There are, however, as has been emphasized, a number of questions requiring closer examination than this short conference has allowed. It is proposed, therefore, to continue the examinations, initiated during the conference, of questions on which it is hoped that useful understanding can be reached under the direction of the present Ministerial group. These arrangements for continuing consultation—supplementing the usual channels of communication between governments—will be used to keep under review the effectiveness of actions already agreed upon and to prepare, for governmental consideration, measures which could carry further those adjustments which are considered to be necessary. In establishing these arrangements for continuing consultation, the three Governments wish to emphasize that these arrangements underline rather than diminish their interest in the development of economic cooperation within the entire community of western nations. The tripartite arrangements will not in any way encroach upon, or detract from, the area of competence of the OEEC and other existing organs of international economic collaboration.

On the contrary, these arrangements for continuing consultation, by contributing materially to the solution of problems which today adversely affect the working of the entire OEEC group and yet are not susceptible of solution within that group, will facilitate the progress of economic collaboration in the wider field.

16. In summary the Ministers of the three countries concerned are satisfied that a real contribution to the solution of the sterling-dollar difficulties has been made by the conclusions recorded above. They are confident that, with sustained efforts on all sides and with the seizure of every opportunity by sterling area exporters to enter into and remain in dollar markets which are open to them, there is the prospect of reaching a satisfactory equilibrium between the sterling and dollar areas by the time exceptional dollar aid comes to an end.

At the close of the ministers' conference, Sir Stafford Cripps, British Chancellor of the Exchequer, said, "as a result of these consultations and conversations, we feel that we have brought our reserve position into a manageable condition." He expressed the view that Britain would be able to block further dangerous drains on gold and dollar holdings.

The need for the tripartite economic discussions became evident during Secretary Snyder's visit to London in July, when the Secretary, Ambassador Douglas, and Ambassador Harriman had a general exchange of views with the Chancellor of the Exchequer, Sir Stafford Cripps, the President of the Board of Trade, Harold Wilson, and the Canadian Minister of Finance, Douglas Abbott, concerning the balance of payments between the dollar and sterling areas.²

It was agreed at that time that further consideration should be given to the balance-of-payments problem and that possible remedies would be explored.

British, Canadian, and American financial and economic experts conducted preliminary technical and fact-finding discussions in Washington from August 27 to September 2, in preparation for ministerial talks which were to begin on September 7.

United States representatives to the preliminary technical discussions were: Under Secretary James E. Webb, chairman and head of the United States group; Assistant Secretary for Economic Affairs Willard L. Thorp; Assistant Secretary of the Treasury William McChesney Martin, Jr.; and Assistant Deputy Administrator of ECA Richard M. Bissell, Jr.

Ministers to the tripartite economic talks included: United States—Secretary of the Treasury, John W. Snyder, chairman; Secretary of State, Dean Acheson; and the Administrator of the ECA, Paul Hoffman.

Britain—Minister for Foreign Affairs, Ernest Bevin; Chancellor of the Exchequer, Sir Stafford Cripps; and Ambassador Sir Oliver Franks.

Canada—Secretary of State for External Affairs, Lester Pearson; Minister of Finance, Douglas C. Abbott; and Ambassador Hume Wrong.

² BULLETIN of Sept. 5, 1949, p. 353.

Answers to Questions on Military Assistance

EXCHANGE OF LETTERS BETWEEN SECRETARY ACHESON AND REPRESENTATIVE LODGE¹

July 27, 1949.

DEAR MR. SECRETARY: In connection with the proposed Military Assistance Program, the principle of which I support and advocated in a speech on the floor of the House on August 6, 1948, I should like to propound a few questions. I realize that these questions cover only a few of the vast and complex implications of this undertaking. They seem to me to be vital.

1. Is it the view of the Department of State that the military plan for Western Europe should be based on European rather than on national considerations, thereby effecting significant economies, and furthering the goal of a European federation, which is also a principle objective of the European Recovery Program?

2. Is it proposed that insofar as practicable there should be a gradual standardization of arms in the countries receiving military aid from the United States in order to work toward (a) substantial economies in military budgets; (b) a simplification of the problem of rearmament, logistics, and the furnishing of spare parts; (c) greater strategical strength of the nations involved and particularly of "uniforce"; and (d) a European federation?

3. Is it the view of the Department that military aid to Korea is more important and urgent with relation to American national security than military aid to China?

4. Are the nations which are to receive military aid making a military effort comparable to that of the Soviet Union, taking into consideration their relative size and population, their economic strength, and the over-all objectives of the European Recovery Program?

5. Has the Council of Western Europe, acting under the Brussels pact, evolved plans which make it appropriate that we should proceed at once with the full amount of the military aid required rather than, as has been proposed by certain Members of Congress, notably Senators Vandenberg and

¹ Reprinted from the *Congressional Record* of Aug. 17, 1949.

Dulles and Congressman Vorys, proceed with an interim aid bill until the Council, to be established under article 9 of the Atlantic Treaty, shall have developed a comprehensive logistics, tactical, and strategical plan involving specific assignments?

6. Will the military aid to be furnished result within the period of the proposed legislation in a corresponding or substantial reduction of our domestic military budget as advocated by Dr. Nourse, Chairman of the Council of Economic Advisers, or will MAP be, in his words, "a simple addition to other military plans as they stood before the new alignment"?

It is my conviction that while the will of the Europeans to resist aggression must be stimulated by this tangible expression of our resolve to preserve the peace, MAP must be based on a prudent regard for our own resources and must be the implement of a global rather than a piecemeal foreign policy.

I believe that answers to the above questions will be helpful to the Congress in passing on this important measure.

With kind personal regards.

Sincerely yours,

JOHN DAVIS LODGE.

August 15, 1949.

HON. JOHN DAVIS LODGE,
House of Representatives.

MY DEAR MR. LODGE: I refer to your letter of July 27, 1949, in which you raise certain important questions with regard to the proposed Military Assistance Program now under consideration by the Congress. The questions which you have raised are indeed vital, and I am grateful to you for the opportunity of expressing views with respect to them.

In your letter you ask:

1. Is it the view of the Department of State that the military plan for Western Europe should be based on European rather than on national considerations, thereby effecting significant economies, and furthering the goal of a European federation, which is also a principal objective of the European Recovery Program?

The Department is convinced that military strength in Europe must be developed on a collective rather than on an individual basis. The Military Assistance Program which is proposed is not designed to build up separate balanced military establishments. It is designed to strengthen the collective defense capacity of the nations associated in the North Atlantic Treaty by providing assistance to those European members which require such aid, in kind and amount appropriate to the role which each would play in a common collective defense. It is our belief that this procedure will make possible significant economies and that it should contribute materially to the creation of an atmosphere and experience of collaboration and cooperation which will further the development of a closer political and economic association in Europe.

2. Is it proposed that insofar as practicable there should be a gradual standardization of arms in the countries receiving military aid from the United States in order to work toward (a) substantial economies in military budgets; (b) a simplification of the problem of rearmament, logistics, and the furnishing of spare parts; (c) greater strategical strength of the nations involved and particularly of "Uniforce"; and (d) a European federation?

The provision of military assistance as has been proposed to the Congress is in itself a major contribution toward the goal of standardization toward which we must all work. In particular the provision of assistance which will enable the European countries to undertake additional military production affords an exceptional opportunity for achieving standardization on the production of new equipment.

Considerable success has already been achieved in reaching agreement on standardized procedures especially in the command and communications fields. It is our earnest intention to work as steadily and as rapidly as possible toward the achievement of the maximum degree of standardization.

It must be borne in mind, however, that in the present extremely weak condition of the European nations, insistence upon complete standardization might well result in a serious and extremely dangerous lessening of strength. It must also be borne in mind that standardization can never be completely achieved since, as each new development in research makes it possible to improve upon the equipment in existence, it becomes necessary to effect changes in order to be certain that the benefits of these developments is fully utilized.

3. Is it the view of the Department that military aid to Korea is more important and urgent with relation to American national security than military aid to China?

If military assistance to China could be made effective at this time, it would be more important to American national security to send such aid than to send aid to Korea. However, as has been stated, the executive branch of the government is firmly convinced that further provision of military assistance to the Chinese National Government is impractical and unlikely to be effective. It believes that the white paper recently published, which documents the record of assistance previously given to China, fully supports this conclusion.

It is the Department's belief that the provision of military assistance to Korea will enable the Korean Government to maintain internal security and to deal with external pressures short of an all-out attack. In view of the policy of this government of supporting the United Nations and its decisions with respect to Korea and since there is in Korea a responsible government capable of utilizing the assistance provided, it is both important and necessary that such aid be granted.

4. Are the nations which are to receive military aid making a military effort comparable to that of the Soviet Union, taking into consideration their relative size and population, their economic strength, and the over-all objectives of the European recovery program?

The military effort being made by the European nations and other countries to whom military assistance is proposed is, in the opinion of the executive branch, the maximum effort feasible without the sacrifice of economic recovery and the maintenance of a stable economic system. Details with regard to the size and scope of military effort being made by these countries have been provided to the Foreign Affairs Committee.

5. Has the Council of Western Europe, acting under the Brussels pact, evolved plans which make it appropriate that we should proceed at once with the full amount of the military aid requested rather than as has been proposed by certain Members of Congress, notably Senators Vandenberg and Dulles and Congressman Vorys, proceed with an interim aid bill until the council, to be established under article 9 of the Atlantic Treaty, shall have developed a comprehensive logistics, tactical, and strategical plan involving specific assignments?

The executive branch of the government is in complete accord with the view that assistance should be provided to the European members of the North Atlantic Treaty only if thereby the collective defense capacity of the group can be improved. It believes that there does now exist in fact a sound and adequate basis for the provision of assistance which will assure the accomplishment of this purpose, and it further believes that it is by no means necessary or desirable to delay the provision of such aid.

The Brussels treaty powers—the United King-

dom, France, Belgium, the Netherlands, and Luxemburg—have already agreed upon a plan for the defense of Western Europe and, subject to the limitations imposed by the agreed priority to be given economic recovery, are jointly engaged to the limit of their abilities in the creation of the defensive strength required by the plan. It is highly significant that by invitation of these powers, representatives of both Canada and the United States have observed and participated in the discussions which resulted in the agreement on a defense plan and in the discussions dealing with measures required in support of that plan. It is even more significant that the United States Joint Chiefs of Staff have examined this plan in detail and have found it to be in consonance with United States strategic thinking.

Norway and Denmark, in their requests for military assistance and in the discussions which have taken place with them regarding their requirements, have clearly indicated their acceptance of the principle enunciated by General Bradley in his testimony before the House Committee on Foreign Affairs that the man in the best position and with the capability should do the job for which he is best suited. The emphasis placed by these countries on the types of equipment most urgently needed clearly demonstrate a determination to improve and strengthen their capabilities for the roles which would inevitably be theirs in the collective defense effort. The Italian request for assistance and the informal discussions regarding it likewise show Italian plans to be in conformity with the necessary role of Italy in collective defense which is of course limited by the provisions of the peace treaty regarding Italian military strength.

In his testimony, General Bradley pointed out clearly that a sound strategic plan must be based on considerations of geographical position, industrial capacity, populations, the will of the peoples, and their military capabilities. It is the firm conviction of the executive branch that the Military Assistance Program has been so planned and will be so executed as to assure that it will aid in the development of that kind and amount of strength appropriate to the role which each country should play in a collective defense effort based upon the principles enunciated above.

It is also the firm conviction of the executive branch that the solemn commitments undertaken by these European nations in joining with us in the North Atlantic Treaty, taken with the tangible evidence of the common plan of the Brussels treaty powers and the plans of the Norwegian, Danish, and Italian Governments, provide a maximum of assurance that further common defense planning will progress as rapidly as can be desired. To refrain from aiding in the creation of the strength which will be essential to the execu-

tion of that planning, until the planning has been completely perfected, serves only to delay in improving the security of the area and to prolong the period during which our ability to resist attack is not commensurate with our stated determination to do so. Such delay will be likely to be interpreted as indicative of suspicion and distrust of our allies, and may serve to create doubts both in their minds and in the minds of the Soviet Union as to the sincerity and stability of United States policy. Thus, delay in taking action which is actually required in our own interests instead of stimulating common agreement and effort may well make cooperation more difficult and less effective.

6. Will the military aid to be furnished result within the period of the proposed legislation in a corresponding or substantial reduction of our domestic military budget as advocated by Dr. Nourse, Chairman of the Council of Economic Advisers, or will the Military Assistance Program be, in his words, "a simple addition to other military plans as they stood before the new alignment"?

The Military Assistance Program which has been proposed is a program for the fiscal year 1950. A considerable period of time will be required for equipment to be rehabilitated or produced, for it to be packed, shipped, and put in the hands of men who are to use it, and for them to be trained in its operation and maintenance. It is clear that a degree of strength which would diminish our own security-expenditure requirements will not be achieved within this period. However, as the Secretary of Defense has testified, it is anticipated that the development of a balanced and effective defensive military establishment in Europe will in the long term make possible a reduction in our own national defense budget. If, as we hope, the program, together with other parts of our foreign policy, succeeds in convincing the Soviet Union that a policy of aggression should be abandoned and it is, in fact, abandoned, it will then be possible to effect a substantial reduction in the military expenditures of the pact nations.

The proposed program of military assistance is designed to support and strengthen other elements of our foreign policy with a view to achieving peace and security. We seek to assist in creating world conditions that will make it possible for the United States to preserve and to continue to develop its way of life. The Military Assistance Program is but one of the courses of action which must be pursued toward this aim. Its principal contribution will result from the extent to which it serves to deter aggression and to promote that sense of security which is essential to the establishment and maintenance of economic and political stability.

Sincerely yours,

DEAN ACHESON.

Department of State Bulletin

REPORT ON MILITARY ASSISTANCE RENDERED TO FOREIGN COUNTRIES SINCE V-J DAY¹

The following qualifications of the report should be noted:

(a) The data generally includes only combat material; i.e., arms, ammunition, and implements of war as defined in the President's Proclamation 2776, dated March 26, 1948. In some cases, however, it has not been possible to exclude military equipment not strictly definable as combat material.

(b) Although not included in this report, military equipment other than combat material has also been supplied to foreign governments under various congressional authorities; e.g., trucks, military clothing, communications equipment, etc.

(c) No attempt has been made in this report to distinguish between combat material transferred to foreign governments for the specific purpose of augmenting the military establishments of those governments and that transferred for other purposes; e.g., for internal police purposes for demilitarization and use in the civilian economy (generally, ammunition).

Military assistance has been extended to foreign countries under the following procedures:

(a) Direct sales of United States military surplus.

(b) Transfers from either military surplus or government stocks but financed or facilitated by special congressional authorization.

(c) Transfers from government stocks under the plenary powers of the President.

It should be noted that military assistance within the meaning of the statement in the preceding paragraph is considered to embrace generally only combat material (arms, ammunition, implements of war). In some cases, however, it has not been possible to exclude from the data in this report military equipment not strictly definable as combat material.

A. Direct Sales of United States Military Surplus (See Table A)

This government has continued to dispose of United States military surplus to foreign governments under the authority of the Surplus Property Act of 1944 (Public Law 457, 75th Cong. 2d sess.) as amended. These sales have consisted of limited quantities of aircraft, weapons, vessels, ammuni-

¹ Submitted on Aug. 8, 1949, to John Davis Lodge, House of Representatives, in reply to his request on July 28 for information on military assistance and the "revolving fund." Reprinted from the *Congressional Record* of Aug. 9, 1949.

tion, and spare parts therefor, which in most cases were needed by the recipient countries for the replacement or maintenance of United States equipment already in their possession. A number of sales involved large quantities of ammunition sold for scrap or salvage purposes. Information on sales under this authority is identifiable in the attached table by the term "P. L. 457" in the last column, and reflects sales completed through May 15, 1949.

Iran: Sales of surplus United States military equipment have been made to Iran under the general authority of the Surplus Property Act of 1944, and have been facilitated by funds made available by Public Law 785, Eightieth Congress, second session, which, among other provisions, provides funds for defraying expenses for the care, handling, and disposal of surplus property abroad. Data reflected in the attached table under this authority are as of May 15, 1949.

Korea: Under the authority of the Surplus Property Act, this government has transferred to the Government of the Republic of Korea, approximately \$40,000,000 in military equipment and supplies. Of this amount, which is based on acquisition cost, approximately \$13,000,000 has been for vessels for the Korean Coast Guard, while the remainder has consisted principally of equipment and supplies, including small arms and ammunition, for the Korean Army and police. The transfer of this material has been effected without monetary compensation in consideration of other benefits derived.

B. Transfers From Either Military Surplus of Government Stocks but Financed or Facilitated by Special Congressional Authorization (See Table B)

Greece and Turkey: Assistance has been rendered to Greece and Turkey under the authority of Public Law 75, Eightieth Congress, first session, and Public Law 472, title III, Eightieth Congress, second session (the Greek and Turkish Assistance Act of 1948). Information on sales under this authority is identifiable in the attached table by the term "P. L. 75 and 472" in the last column, and reflects Army shipments as of April 30, 1949, and Navy shipments as of May 20, 1949.

Latin America: In addition to sales under the authority of the Surplus Property Act, military assistance has been rendered to certain Latin American nations under the specific authority of Public Resolution 83, Seventy-sixth Congress, third session, which provides the National Military Establishment with limited authority to assist the governments of American Republics to increase their military and naval establishments. Information in the attached table reflecting Army shipments under this authority is as of April 30, 1949; Navy information is as of May 20, 1949.

China: Under the authority of Public Law 512, Seventy-ninth Congress, second session, and following an agreement between the United States

and China signed on December 8, 1947, there have been authorized for transfer to China on a great basis 271 naval vessels.

Under the authority of Public Law 472, title IV, Eightieth Congress, second session (the China Aid Act of 1948) there has been allocated to the Chinese Government \$125,000,000 which has been used by that government for the purchase of aircraft and other military equipment from both Government and commercial sources in the United States.

The Philippines: In addition to direct sales of surplus property under the general authority of the Surplus Property Act military assistance has

been rendered to the Republic of the Philippines under the specific authority of Public Law 454, Seventy-ninth Congress, second session (the Republic of the Philippines Military Assistance Act). Information in the attached table on Army shipments is as of January 31, 1949; Navy shipments include data through May 20, 1949.

C. Transfers From Government Stocks Under the Plenary Powers of the President

The President, acting under his plenary powers as Chief Executive and Commander in Chief, for

Table A.—Direct sales of United States military surplus under authority of Public Law 457

Country	Procurement cost	Selling price	Type of equipment
	<i>Thousands of dollars</i>	<i>Thousands of dollars</i>	
Argentina.....	6, 673	748	Aircraft, ammunition, small arms, explosives, artillery, spare parts.
Australia.....	4	-----	Machine guns. Part of bulk sale.
Belgium.....	44, 845	¹ 210	Ammunition, armored vehicles.
Brazil.....	25, 191	3, 488	Small arms, ammunition, aircraft, artillery.
Canada.....	29, 626	1, 242	Aircraft, radar, light artillery, armored vehicles, spare parts.
Chile.....	22, 265	1, 647	Aircraft, ammunition, vessels.
China.....	102, 072	² 6, 740	Ammunition, aircraft, ordnance and Air Force matériel.
Colombia.....	7, 570	632	Aircraft, armored vehicles, small arms, artillery.
Cuba.....	15, 632	504	Vessels, aircraft, ammunition, spare parts.
Denmark.....	(³)	1, 031	Vessels.
Dominican Republic.....	501	23	Vessels, small arms, artillery.
Ecuador.....	4, 964	414	Vessels, aircraft, ammunition, spare parts.
Egypt.....	5, 240	540	Vessels.
El Salvador.....	318	43	Aircraft, ammunition, spare parts.
Ethiopia.....	11	1	Ammunition, artillery.
Finland.....	⁴ 2, 911	190	Trawler and demilitarized mine sweepers.
France.....	⁵ 116, 720	10, 527	Vessels, ammunition, aircraft.
Greece.....	15, 050	1, 960	Vessels.
Guatemala.....	⁶ 2, 343	20	Ammunition, artillery, aircraft, small arms.
Haiti.....	319	34	Aircraft, small arms, ammunition, vessels.
Honduras.....	92	6	Small arms, artillery, ammunition.
Iceland.....	85	-----	Aircraft matériel. Part of bulk sale.
Iran.....	26, 469	⁷ 5, 298	Ammunition, small arms, aircraft parts, artillery.
Italy.....	⁸ 141, 357	⁸ 22, 125	Vessels, aircraft, ammunition, explosives, tanks.
Korea.....	40, 000	(⁹)	Small arms, ammunition, vessels, miscellaneous ordnance matériel.
Mexico.....	21, 286	644	Aircraft, armored vehicles, vessels, small arms, artillery, spare parts.
Netherlands.....	7, 216	680	Aircraft, vessels, small arms, ammunition, spare parts.
Norway.....	⁴ 7, 739	169	Vessels, ammunition.
Paraguay.....	16	7	Aircraft, spare parts.
Peru.....	13, 870	1, 021	Aircraft, vessels, small arms, artillery, spare parts.
Philippines.....	634	340	Small arms, ammunition, aircraft, spare parts.
Poland.....	2, 600	240	Demilitarized mine sweepers.
Portugal.....	2, 500	562	Aircraft, spare parts.
Sweden.....	7, 632	1, 758	Aircraft, ammunition.
Switzerland.....	6, 903	549	Aircraft, ammunition.
Turkey.....	24, 748	1, 161	Vessels, armored vehicle parts.
United Kingdom.....	⁴ 70, 410	¹⁰ 100	Miscellaneous military equipment.
Uruguay.....	6, 801	831	Aircraft, ammunition, vessels, small arms, artillery, spare parts.
Venezuela.....	9, 339	983	Aircraft, ammunition, vessels, small arms, spare parts.

¹ Includes a large quantity of surplus ammunition for demilitarization, 50 percent of the profits therefrom to accrue to the United States.

² Includes \$3,736,604 in military surplus financed by Chinese Government from the \$125,000,000 grant authorized by the China Aid Act of 1948.

³ Captured enemy equipment.

⁴ Plus captured enemy equipment.

⁵ Plus unestimated value of ammunition included in bulk sale.

⁶ Includes Army and Air Force equipment valued at \$2,041,000 transferred gratis due to reverse lend-lease credit built up by Guatemala.

⁷ Facilitated by funds made available by Public Law 785.

⁸ Data not complete, since certain figures with respect to aircraft matériel, aircraft, and ammunition are not available at this time.

⁹ This transfer was effected without monetary compensation in consideration of other benefits involved.

¹⁰ Plus portion of proceeds included in bulk sale.

the purpose of protecting primary security interests of the United States, has authorized the transfer of combat material from United States Government stocks to France and Italy. The transfer to France under this authority consisted of certain spare parts and replacement items, excess to the needs of United States occupation forces in Germany.

The transfer to Italy consisted of small quantities of military equipment and supplies, primarily small arms and ammunition, which were needed to complete the reequipment of Italian security forces which had been rearmed mainly with sur-

plus allied material in Italy. In authorizing this transfer the limitations imposed upon Italy by the treaty of peace were scrupulously observed.

Section 4 (b) of the proposed legislation creates a mechanism for the disposition of property or money received from foreign countries in connection with the operation of the Military Assistance Program.

Such money or property may be accepted by the President either as payment for particular items of assistance so that the money or property may be said to be the proceeds of a sale to a foreign country. On the other hand, money or prop-

Table B.—Transfers from either military surplus or Government stocks but financed or facilitated by special congressional authorization

UNDER PUBLIC LAWS 75 AND 472

Country	Authorized	Shipped	Type of equipment
	<i>Thousands of dollars</i>	<i>Thousands of dollars</i>	
Greece-----	295, 510	270, 562	Army and Air Force equipment.
	Unknown	11, 358	Navy equipment, including vessels.
Turkey-----	103, 331	87, 651	Army and Air Force equipment.
	Unknown	13, 840	Navy equipment, including vessels.

UNDER PUBLIC RESOLUTION 83

Argentina-----	1, 709	1, 412	Army and Air Force: Ammunition, small arms, explosives, artillery, spare parts.
	2, 333	2, 333	Naval ordnance.
Brazil-----	135	135	Do.
Chile-----	28	28	Do.
Dominican Republic-----	41	41	Do.
Haiti-----	166	166	Do.
Mexico-----	246	246	Do.

MISCELLANEOUS TRANSFERS

Country	Procurement cost	Selling price	Type of equipment	Authority
	<i>Thousands of dollars</i>	<i>Thousands of dollars</i>		
China-----	141, 315	⁽¹⁾ 25, 000	Naval vessels-----	Public Law 512.
	⁽²⁾		Wide range United States military equipment left in west China by United States troops.	Military operations.
	⁽²⁾	None	Ammunition abandoned to Chinese Government by U.S. Marines in north China.	Do.
	⁴ 694, 700	⁽⁵⁾	Ordnance and aircraft matériel, vessels, tanks, miscellaneous service equipment.	Post V-J lend-lease.
	17, 667	⁽⁶⁾	Ordnance and other supplies-----	Sino-American Cooperative Organization. ⁷
			\$125,000,000 disbursed to China for direct procurement or through U.S. Government agencies.	Public Law 472.
Philippines---	72, 556	1, 875	Army and Air Force equipment-----	Public Law 454.
	59, 129	⁽⁸⁾	Navy equipment, largely vessels-----	Do.

¹ Grant basis. ² Unknown.

³ Plus 5.16 billion Chinese dollars. Includes US\$5,000,000 in bulk sale agreement.

⁴ Includes \$336,000,000 in services, the largest part of which involved the movement of Chinese armies by air to reoccupation assignments.

⁵ Under negotiation.

⁶ Services.

⁷ Transferred in exchange for services by U.S. Navy under Sino-American Cooperative Organization agreement.

⁸ Gratis.

erty may be received not in payment for particular items but as part of the general scheme of mutual aid.

If money is received merely as general mutual aid, without relationship to specific items transferred to the other country, such funds will be covered into the Treasury as miscellaneous receipts and are not available for the purposes of the program. The same disposition will be made of the proceeds of the disposal of any property received as general mutual aid. However, the President is not required to sell such property, but may transfer it directly to the armed services, without any charge to the armed services appropriation.

If money or property is received in direct payment for particular items of assistance, money, the proceeds of the property, or the property itself may be used to reimburse the armed services for the items transferred out of their stocks. If such funds are not used as reimbursement to the armed services for items drawn from their stocks, they remain available for the purposes of the program until spent.

Visa Requests for Americans in Mukden Refused

[Released to the press September 15]

Consul General Angus Ward has on several occasions since the announced closure of the American consulate general in Mukden on May 18, 1949, requested exit visas, travel passes, and rail transportation from Mukden to Peiping and Tientsin for the consulate general staff. Rail freight facilities for government property and personal effects now packed and awaiting shipment out of Mukden have also been requested.

The Chinese Communist authorities in Mukden have so far refused or failed to acknowledge all such requests. While no reason has been given by them, it is assumed from reports available to the Department of State that floods during August and early September, resulting in the disruption of rail service south of Mukden, have contributed to the delays encountered by Consul General Ward.

The Department of State has instructed Consul General Ward to continue to make every effort to obtain from the local authorities the necessary permission and facilities to depart immediately and confidently expects that as soon as normal rail traffic between Mukden and Tientsin is resumed, the Communist authorities will, in accordance with generally recognized obligations of international law and comity, facilitate the departure of the consulate general staff.

THE FOREIGN SERVICE

Resignation of James Bruce as Ambassador to Argentina

The President on September 9, 1949, accepted the resignation of James Bruce as American Ambassador to Argentina. For the texts of the President's and Mr. Bruce's letters, see White House press release of September 9, 1949.

Consular Offices

The branch office of the Consular Section of the American Embassy at Vienna, located in Salzburg, Austria, was designated a Special Purpose Post with the rank of Consulate, effective August 15, 1949.

THE DEPARTMENT

First Official Intern Program Started

[Released to the press September 6]

The Department of State today announced that 33 young men and women, selected from more than 700 applicants, will begin training this week for careers in the Department of State and in the Foreign Service under the first official intern program conducted by the Department.

John E. Peurifoy, Deputy Under Secretary of State, explained that over 321 colleges were each invited to nominate not more than three outstanding students with particular interests or abilities in fields pertaining to foreign affairs. A selection board, set up to screen the applications, chose 147 from educational institutions for personal interviews, and selected 22 to take part in the intern program. In addition, 11 candidates were selected from sources within the Department and the Foreign Service. The selection board consisted of Dr. Karl Stromsen, of the National Institute of Public Affairs; Franklin Conner, United States Civil Service Commission; and three representatives of the Department's Office of Personnel.

Under the direction of the Foreign Service Institute, these interns will participate in planned course work as well as in on-the-job training. The program will run until June 30, 1950, and upon successful completion of the course interns will be assigned to jobs in Washington or at foreign posts.

PUBLICATIONS

Booklet on ECA and Small Business Released

[Released to the press by ECA September 12]

The Economic Cooperation Administration today issued a new booklet designed to assist American small businessmen who plan to enter the export market under the Marshall Plan.

Entitled *The ECA and Small Business*, the booklet explains the various methods of organizing for overseas trade, listing the advantages and disadvantages of each method.

It answers many of the questions the newcomer to export would ask, enabling him to avoid lost motion and unnecessary expense. Explaining the necessity for an overseas market analysis, it directs the small businessman to sources of helpful information and guidance.

Copies of the booklet may be obtained at the Economic Cooperation Administration, 800 Connecticut Avenue, NW., Washington 25, D.C., free of charge.

Publication on Inter-American Conference on Conservation of Natural Resources

[Released to the press September 16]

The Department of State announces the publication of the proceedings of the Inter-American Conference on Conservation of Renewable Natural Resources held at Denver, September 7-20, 1948. This 782-page volume contains a complete account of the Conference, including copies of all the speeches and papers given.

The main themes stressed in both the speeches and papers were: (1) human populations and productive capacity of the land; (2) renewable resources and international relations; (3) land use and the social sciences; (4) the dynamics of renewable resources; (5) education in conservation dynamics; and (6) making conservation effective.

The volume also describes the field trips conducted for the participants, including those to the Arapahoe National Forest, the Rocky Mountain National Park, and the Cherry Creek drainage area. One of the most spectacular of the field trips was the conservation demonstration carried out on a farm 12 miles southeast of Denver. Equipment manufacturers and dealers, business people, local and State organizations, neighbors,

and others worked together to remake the farm in a single day. It was completely transformed and changed so that the land would be used according to its capabilities and its productivity maintained for many years to come.

Brief sections of the volume are devoted to the outstanding exhibits prepared especially for the Conference and to the documentary films that were shown to the participants.

This publication provides the most comprehensive body of material available on conservation in the Western Hemisphere.

Copies of this volume may be purchased from the Superintendent of Documents, United States Government Printing Office, Washington 25, D.C., for \$2.25 each.

Recent Releases

Foreign Consular Offices in the United States, April 1, 1949. Pub. 3476. 56 pp. 20¢.

Annual list of foreign consular offices and representatives in the United States, its territories and insular possessions, and the Canal Zone.

United States Relations With China With Special Reference to the Period 1944-1949. Far Eastern Series 30. Pub. 3573. 1054 pp. \$3.

Based on the files of the Department of State and includes the letter of transmittal from the Secretary of State to the President.

International Protection of Works of Art and Historic Monuments. International Information and Cultural Series 8. Pub. 3590. 50 pp. 25¢.

Reprint from *Documents and State Papers* for June 1949. These essays were written by Charles De Visscher, Judge on the International Court of Justice. The English translation was edited and related appendixes were compiled by Ardella Ripley Hall, Arts and Monuments Officer, Department of State.

U.S. National Commission UNESCO News, August 1949. Pub. 3596. 12 pp. 10¢ a copy; \$1 a year domestic, \$1.35 a year foreign.

The monthly publication of the United States National Commission for UNESCO.

Diplomatic List, August 1949. Pub. 3605. 157 pp. 30¢ a copy; \$3.25 a year domestic, \$4.50 a year foreign.

Monthly list of foreign diplomatic representatives in Washington, with their addresses.

The Military Assistance Program. General Foreign Policy Series 16. Pub. 3606. 50 pp. Free.

Message of the President to the Congress and statements of the Secretary of State and Ambassadors Douglas and Grady. Reprint from *BULLETIN* of Aug. 8, 1949.

A Summary of American-Chinese Relations. Far Eastern Series 31. Pub. 3608. 16 pp. Free.

Letter from the Secretary of State to the President transmitting the record of United States Relations with China.

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